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INTER-ARAB AFFAIRS

ACCOUNT OF SAUDI FOREIGN, DEFENSE MINISTERS TALKS IN YAR

London AL-HAWADITH in Arabic 23 May 80 p 19

[Text] The visit which the president of PDRY, 'Ali Nasir Muhammad al-Hasani, will soon make to Saudi Arabia is part of the new phase of coordination and cooperation between Riyadh on one hand, and Aden and San'a' on the other. Observers are attaching special political importance to this visit, because it will create a suitable atmosphere for broader cooperation, following a period of alienation of about 3 years, that is, since the last visit of a PDRY president to Riyadh in 1977.

'Ali Nasir's visit will take place in a new climate inaugurated by the visit of the Saudi Minister of Defense and Aviation, Prince Sultan 'Abd al-'Aziz, and the Saudi Minister of Foreign Affairs, Prince Saud Al Faysal, to San'a' last week. This was the first Saudi high level visit to the YAR for a long time. It took place following reports of difficulties at the borders between the two countries.

The prime minister of the YAR, 'Abd al-'Aziz 'Abd al-Ghani, had visited Aden following the removal of former president 'Abd al-Fattah Isma'il. 'Ali Nasir Muhammad, the new PDRY President, assured 'Abd al-Ghani that the bilateral agreements between the two countries were still effective, and that the changes which took place at the high command level in the PDRY will not affect the progress of national matters, the most important of which is the achievement of Yemeni unity.

It is reported that YAR President 'Ali 'Abdallah Salih, who had sent a formal invitation to princes Sultan and Sa'ud to visit San'a', expressed optimism that this visit was a positive step which paves the way for more cooperation at all levels, after a coolness in relations had followed the YAR's turning to the Soviet Union for armament.

Last year, Moscow concluded an agreement to sell modern weapons to San'a', including 30 Mig-21 planes and 200 55 WT-62 tanks. Soviet Ambassador Vasily Konev was able to arrange for long-term installment payments.

At that time, it was rumored that San'a's turning to Moscow for armaments was a response to the delay in the arrival of weapons from Washington. This was part of the deal which Riyadh paid 350 million dollars for and under which it received 12 F-15 planes and 60 M-60 tanks. Responsible authorities in the YAR said that the American weapons arrived with almost no ammunition: Planes had no rocket bombs, cannon rounds were limited, and the tanks had no spare parts.

All these military matters had been brought up at a preliminary meeting of the Yemeni and the Saudi delegations. Talks began immediately in a short session which consisted of a quick review of bilateral relations and of all the crises they had been through during the past 3 years. During this first meeting, an examination was made of all the Arab and international problems which the region had faced and which, in turn, influenced its political, economic and military circumstances.

In mid-June, the Saudi-Yemeni Coordination Council is expected to study the methods of cooperation, called for at this meeting. The council will try to define cooperation in terms of economic assistance and cultural and political relations.

Prince Sultan is one of the founders of the Saudi Yemeni Coordination Council. He is also one of the most knowledgeable, cooperative and thorough members in following up on its progress and on the problems it has faced since its establishment. This is due to his deep understanding of the long history of Saudi-Yemeni relations since the mid-1960s, and a result of his various responsibilities since King Faysal asked him to look into the Yemeni file with President 'Abd al-Nasir. All this background established his credentials with President 'Ali 'Abdallah Salih and other Yemeni officials. This was pointed out by Prime Minister 'Abd al-'Aziz al-Ghani when he said that the Saudi visit had drawn the interests of the people and government of the YAR, because the Saudi minister, Prince Sultan, has a great understanding of the requirements of bilateral relations and of practical ways to ensure their positive development in the best political climate that can serve the two countries.

According to reports from San'a', the Saudi delegation renewed its guarantee to cover the Yemeni budget deficit. This would meet the requirements of the five-year plan's development program which had stagnated due to the deteriorating economic situation. This situation was a result of the fact that the YAR was compelled to increase its defense budget and financial obligations resulting from military conscription.

It is learned that the Yemeni delegation to the Saudi talks in San'a' requested help in finding safe and quick remedies to the economic problems which developed after the Iranian events and the rise in oil prices. The delegation said that the YAR is forced to buy its petroleum on the free market at exorbitant prices. This, of course, creates a kind of bitterness among the citizens who see their country standing at the oil gate.

When the political and security conditions in the Gulf area were discussed, the YAR minister of foreign affairs, Dr Hasan Makki said that the strong ties between Saudi Arabia and its neighbors obligate Saudi Arabia to maintain this deep cooperation and continuing coordination. He emphasized that YAR policy is independent of the two big powers, as it is an uncommitted policy of a country which refuses to be transformed into a policeman who guards the interests of these two big powers. San'a' knows very well that military and political ties with either Moscow or Washington will place it directly face-to-face with danger. This is what the YAR has always tried to avoid and prevent.

Observers say that Prince Saud Al Faysal praised the political restraints which San'a' placed on its relation with the two big powers. He expressed relief for all that the YAR government is doing to preserve stability in this sensitive region of the world, especially as it is a common cause which should not be jeopardized. Nor should the powers vying for spheres of influence be given a chance to take advantage of regional conflicts to stick their nose in. Prince Saud emphasized that protection of the region should be undertaken by its own people.

Lt Col 'Abd al-'Aziz al-Burti, chief of staff of the YAR army, had presented a list of weapons that were late in arriving and of new developments in this respect. These will be taken up during the next session. It is learned that there is a plan to provide hangars for the new planes that did not fly from al-Tayif airport in the past because such hangars did not exist. Discussions also dealt with coordination in the field of information between Riyadh and San'a'. The YAR minister of information and culture, Yahya Husayn al-Arashi, asked for a quick meeting of the information committee, which is a subcommittee of the higher committee for joint coordination, to initiate some form of informational harmony in the press, and on radio and television. Saudi Arabia had lately offered some printing presses as a gift to Yemeni newspaper companies.

Toward the end, the discussions took up relations between Aden and San'a' in the light of recent developments in the PDRY. The two sides agreed to prepare a political coordination proposal which will be brought up during President 'Ali Nasir Muhammad's visit to Riyadh. This proposal aims at the protecting the security of the peoples of the region, the safety of their lands and their political and economic stability. The two sides expressed their adherence to the policy of neutrality, and their desire to establish good neighborhood relations and cooperation based on mutual respect of national sovereignty, independence and non-interference in internal affairs. They also seek a unified stand to protect their stability and face outside dangers.

Diplomatic sources in the Gulf mention that the meeting of King Khalid and Prince Fahd ibn 'Abd al-'Aziz with the new PDRY president, 'Ali Nasir Muhammad, may develop at the beginning of summer into a tripartite meeting which will include the two Yemeni presidents 'Ali 'Abdallah Salih and 'Ali Nasir Muhammad and Prince Fahd of Saudi Arabia. This meeting will be aimed at establishing tripartite coordination that includes methods of collective cooperation to protect stability and security in one of the most sensitive areas exposed to international dangers.

INTER-ARAB AFFAIRS

BRIEFS

AID TO OIL CONSUMERS--Reliable Kuwaiti petroleum sources yesterday confirmed to the Dubai newspaper AL-BAYAN that Kuwait will, in cooperation with the group of Arab members of OPEC, present a proposal to aid oil consumer nations, especially Jordan and Syria. The proposal will be presented to the organization at the meeting to be held in Algeria on 7 July. The same sources say that responsible authorities in Kuwait are currently discussing this issue with other Arab oil producing nations, especially after the crown prince and prime minister, Saad al-'Abdullah al-Sabah, learned during his recent visit to Jordan and Syria of the extent of their difficulties and of the extra costs both countries have to pay for petroleum products they consume. The same sources point out that the main reason for Jordanian and Syrian difficulties is that the two countries import oil products at international prices. [Text] [Kuwait AL-SIYASAH in Arabic 28 May 80 p 5] 9455

CSO: 4802

BAHRAIN

RESTORATION OF PARLIAMENTARY GOVERNMENT CALLED OFF

Beirut AL-SAFIR in Arabic 21 May 80 p 16

[Article: "A special report from Bahrain: Demonstrations, Arrests and Leath Under Torture; the Government Reneges On Restoring Parliamentary Life"]

[Text] Bahrain, 20 May--the central government's return to toughness in dealing with manifestations of popular opposition is seen by observers here as an indication that the "hawks" have prevailed over the doves within government circles. Observers point to a series of violent measures taken by the government to counter the popular demonstrations which were organized in protest against the execution of Ayatollah Muhammad Baqir al-Sadr and his sister in Iraq. These measures culminated in the death of Jamil al-'Arawi under torture on the 10th of this month.

Al-'Arawi had been arrested along with many others following the demonstrations which began on 24 April in response to Ayatollah Khomeyni's call for the Shiites of the world to mourn the execution of Ayatollah Sadr.

Local Shiite religious leaders called for a demonstration for this purpose on 24 April in front of the Iraqi Trade Center, which is located in the center of the capital. But the police confronted the peaceful demonstrators with tear gas, clubs and whips. The crowds countered with stones, which led the government to call in special forces of the police "for the suppression of the people." However, "certain elements" proceeded to set fire to the Iraqi Trade Center and to destroy the facade of the adjacent Bank of Cairo. The demonstration was broken up after 50 of the demonstrators were arrested.

The next day, demonstrations broke out in the district of Qurba, the popular base of the Shiite clerics. However, the forces "for the suppression of the people" blocked off roads leading to the capital and did not allow any traffic, except for cars carrying government employees, and then only after carefully inspecting them.

In the meantime, men of the Intelligence Bureau, which is headed by the British colonel Ian Henderson, were conducting searches of the houses of religious personalities and members of the opposition.

In spite of the precautions taken by the security forces, the gathering called for by the Islamic Association in front of its headquarters in the village of Draz was crowded. The forces "for the suppression of the people" intervened to break up the gathering, using the same methods they had used against the demonstrations. This led to a clash between them and the inhabitants of the village and neighboring villages, and resulted in the burning of three police cars.

The same day, the capital witnessed similar incidents which led to the imposition of a curfew from 6 p.m. to 6 a.m. The police also closed off the quarters of al-Mukhariqah and Al-Hammam, which are closest to the business district.

After calm returned on 28 April, the police continued to search the homes of citizens, and arrested a number of them. The period of detention in most cases did not exceed 4 days. Nonetheless, the return to the practice of arrests was reminiscent of the similar campaign conducted in February and March, which included the arrest of more than 60 men and women.

Observers here believe that the government's return to toughness means that it no longer intends to restore parliamentary life as had been scheduled. Prior to this, there had been a number of government moves, confirmed by statements of Bahraini officials in the direction of restoring parliamentary life as part of a movement in the Gulf region to "consolidate the domestic front and secure stability in the area," especially after the incidents in the Great Mosque in Mecca and the agitation in the eastern region of Saudi Arabia in November last year and February this year.

Expectations [of a restoration of parliamentary life] had been sustained by renewed reports that the government might allow the organization of trade unions, and had started a dialogue on this subject with the International Federation of Arab Trade Unions. The federation had sent to Bahrain a delegation led by its secretary general to demand the release of imprisoned trade unionists and the approval of the right to organize trade unions.

Informed sources here say that there are two distinct points of view within the government on how to confront the national opposition.

The first view holds that it is necessary to continue to use the policy of the stick. This view is represented by Prime Minister Khalifa bin Salman al-Khalifa (brother of the Amir) and Col Henderson, who is in charge of the Intelligence Agency.

The second view holds that it is possible to contain the opposition and pull the rug out from under its feet by undertaking a number of political reforms, such as restoring parliamentary life and releasing political prisoners. The leading proponent of this view is Hamad ibn 'Isa Al Khalifa, the crown prince and minister of defense.

LATEST PARTY DEVELOPMENTS, MANEUVERS ANALYZED

Tehran IRAN POLITICAL DIGEST in English 14 Jul 80 pp 2-11

[Text] During the past few weeks, there have taken place certain evolutions and divisions in some of the leftist groups, which play a major role in the current political events of Iran and a study of these evolutions is worthwhile to have an idea of the trend of the Iranian revolution. These evolutions relate to the split in the Kordestan Democratic Party (KDP), division in the Fedayeen Khalq Guerilla Organisation, and a recent bifurcation of a group of leaders from the Mojahedeen Khalq Organisation of Iran. Concurrent with these developments, there are also reports of behind-the-scene rivalries within the Tudeh Party of Iran that are worth studying.

Split and division in the leftist organisations had begun from the very early days of the victory of the revolution (February 1979). In fact, victory of the religious forces in the revolution had gone against all calculations of the Marxist groups, and had made them perplexed and disillusioned. The reason was that those individuals, who wanted to interpret and justify the Iranian revolution on the strength of the Principles of Marxism, came across certain questions for which they failed to find answers. These were:

1. How did the religion succeed in taking over the leadership of this revolution?
2. Whether the Iranian revolution should be considered as a national bourgeoisie revolution in favour of the middle class as opposed to imperialism and its lackeys, or a revolution brought about by the toiling classes (workers and farmers) against the exploitative and well-off sections of the society?
3. Should the groups, believing in the principles of Marxism, back the revolution, or launch a campaign against it in order to take over power from the religious leaders and then hand it over to the toiling classes?

In the face of these basic questions, some groups, such as the Tudeh Party of Iran, immediately clarified their positions and announced that they considered the Iranian revolution to be a national and anti-imperialist

revolution led by Imam Khomeini which safeguarded the interests of the toiling classes, and hence it should be extended full cooperation.

Some other groups, like the Mojahedeen Khalq Organisation, tried to conform the principles of Marxism with the revolutionary views of Imam Khomeini which are based on Islam. They endeavoured to devise their future strategy on this principle that they should cooperate with the progressive wing of the religious leaders, who understand Islam similar to themselves, with the ultimate goal of crushing the reactionary wing. However, they tried to avoid any clash with the Islamic regime outside the legal framework.

The Fedayeen Khalq Organisation chose to fight it out with the Islamic regime. They took up an intensive campaign against Imam Khomeini and the Islamic Republican Government in Tehran, especially at the University level, through bringing out a series of publications as well as a newspaper. They joined hands with the armed groups, opposed to the regime, in places such as Kordestan and Gonbad Kavous where there occurred armed clashes with the Government forces. Gradually, there cropped up differences which ultimately caused separation among those Fedayeen members who considered armed struggle as the only alternative left for confronting the regime and those who favoured a political campaign. Subsequently, the armed wing, led by Ashraf Dehqani, proceeded to Kordestan and Azarbaijan, while the moderate wing stayed on in Tehran along with other leftist groups, such as the Tudeh Party and the Mojahedeen, and gradually came closer to them.

The Kordestan Democratic Party, because of its special position, chose a different strategy. This Party, without entering into any ideological war with the regime, tried to secure its desired privileges for attaining limited independence for Kordestan through accepting the leadership of Imam Khomeini. In this way, while the armed forces were strengthening themselves, this Party cooperated with the groups supporting the planned armed struggle against the Central Government (such as Fedayeen, Komeleh, etc.), and concurrently continued its parleys with the Islamic regime.

The Maoist groups, not many in number, were, meanwhile, confronted with serious dissensions and perplexity. Some of them, such as Peykar, joined Komeleh, while some others, like Ranjbaran, centered their political activities at crusading against the pro-Soviet leftist groups.

In view of such a background, the leftist groups, now when 16 months have already elapsed since the victory of the Iranian revolution, the power of the Islamic Government lawfully established, and its nature and mode of political thinking apparently specified, cannot content themselves with mere illusions. They, thus, have to clarify their clear-cut policy in respect of supporting the Islamic Government, or join its opponents' ranks. Experience has shown that even the Mojahedeen Khalq Organisation can, no

more, pursue a "moderate" policy in future, and has no other option but to make public its stand vis-a-vis the Government.

In this week's survey, we would attempt to review the present postures of the leftist organisation, and their conditions following the recent split and divisions in them. This survey would comprise the following sections:

- I--Split in the Fedayeen Khalq Guerilla Organisation.
- II--Split in the Mojahedeen Khalq Organisation of Iran.
- III--Split in the Kordestan Democratic Party.
- IV--Split in Maoist groups.

I--Split In Fedayeen Khalq Guerilla Organisation: This was one of the effective political organisations that paved the way for the victory of the February '79 revolution. Prior to the revolution, this Organisation didn't have any sort of cooperation with the supporters of Imam Khomeini or the Islamic groups. However, it collaborated, during the course of the revolution, with such religious groups, which it didn't consider to be "reactionary," in the hope that following the toppling of the Shah's regime, it could carry on its political activities in a free atmosphere, and could ultimately attain power. It also specified its strategy and future stand immediately after the overthrow of the Shah. This stand called for launching a struggle against the American imperialism, a campaign against the liberalism of the Bazargan Group and the National Front, and a drive against the Tudeh Party, the clergy and the bourgeoisie who were imperialist agents and blocked the liberation efforts of the working class. However, from the very outset, there didn't exist any identity of views among its leaders over the mode of such a struggle which also surfaced in the Plenum session. Thus, a group, named Ashraf Dehqani group, which considered armed struggle as the only option left, separated itself from others in the early months of the post-revolution period and left for Kordestan (April 1979). Upon this separation, the majority of the Fedayeen Organisation members brought out a publication in which they termed Ashraf Dehqani's act as a "childish adventurism." However, the differences couldn't be resolved, and, as a last resort, the Plenum of the Fedayeen Khalq Organisation was called into session in July 1979 to formulate the future strategy of the party. At this Plenum, the opponents of the radical leftist policy gained an absolute majority. They announced an end to the policy of anti-imperialist guerilla war pursued by the Organisation during the past 9 years, and declared that the Organisation should be turned into a working class party. At that time, there was still left some hope for this opposition Marxist Party to be able to engage in free activity under the support of the Islamic Government. But in August of that year, various offices of this political organisation came under attack and were subsequently closed down. As a result, the Organisation was compelled to go underground along with its vast network.

The uncompromising attitude of Imam Khomeini towards the Fedayeen gave further strength to the view of the minority faction in the Organisation that the Islamic Government was a protector of the interests of the

wealthy social classes, and, as such, won't allow the working class party to undertake its political activities. But when the Tudeh Party was allowed political activities in September 1979 under the orders of the Imam, and thereby it reopened its office and brought out its newspaper, this development once again made the Organisation's moderate wing hopeful. It must be mentioned that there had existed a controversy between the Tudeh Party and the Fedayeen Khalq Guerillas Organisation since early 1970s as the Tudeh Party considered armed struggle and terrorist activities futile for toppling the Shah's regime, whereas the Fedayeen Guerillas viewed the Tudeh Party strategy as "compromising and dependent upon the Soviet Union." A dissention among the Fedayeen Guerilla leaders, however, provided an adequate opportunity to the Tudeh Party to infiltrate into their ranks.

In June this year, the internal differences within the Fedayeen Khalq Organisation, which were, for long, being attempted to be kept away from public eyes, became explicit, and the two wings came face-to-face with each other in the following manner:

A. The majority faction believes that the past policy of showing opposition and hostility to Imam Khomeini and the Islamic revolution of Iran has been wrong, and the Fedayeen Khalq should rectify their stand. In an announcement, published in 4 June issue of the Organisation's official organ, the Daily "Kar," by this faction, these viewpoints have been mentioned as under:

"...Ashraf Dehqani and other opportunist groups take the problems of the present-day society very lightly, as they take wrong decisions on the basis of their incorrect outlooks. They say simply that the Iranian society is a capitalist one, and hence any type of government, taking over the control of affairs in this society, is necessarily linked to imperialism.... These opportunist and adventurist views have lost their weight in the Marxist movement, and are on the verge of decadence. We have seriously determined to fight earnestly with every kind of leftist or rightist deviation...."

B. The minority faction holds the view that the Fedayeen Guerillas shouldn't think of finding for themselves a position in the current Government, but rather should seek for the genuine interests of the working class and refuse to make any compromise with the ruling class.

They (the majority faction) are trying to find allies among the upper social classes instead of protecting the interests of the working class, and as such they establish contact with different sections of the ruling class. In an official announcement prior to separation, that faction had said:

"The opportunist faction of the Organisation, led by the 'Central Committee', had, since long, deviated from the revolutionary Marxism-Leninism, and come close to the opportunist Tudeh Party in a gradual

process. It had, under the cover of anti-imperialist struggle, fallen into the abyss of a policy of flattery in favour of bourgeoisie. This faction has, through an announcement, practically separated itself from our ranks."

"Successive parleys of the compromising 'Central Committee' with elements such as 'Bani-Sadr' and 'Beheshti,' their total approval and support of the Islamic Republican regime in order to get permission for open activities and for legalising the Daily "Kar" (something which cannot be realized without full compromise with the bourgeoisie and deserting the revolutionary stand), their constant contact with the treacherous 'leaders of the Tudeh Party in political, ideological and organisational affairs for a long time, and adoption of clearly rightist stands in the national organs of the Organisation, i.e. a total conformity with the postures of the Tudeh Party, have not only been not approved by us (the minority faction), but also cannot be backed by any of the sincere and revolutionary members of the Organisation." (Jomhuri Islam, 16 June 1980)

II--Split in Mojahedeen Khalq Organisation: This Organisation should, in actuality, be taken as the mother of all the armed guerilla bodies in Iran, since it was this Organisation which brought into existence the first-ever armed group in the mid-60s. The other guerilla organisations, including the Fedayeen Khalq Guerillas, split away from it in later years.

The Mojahedeen, who had contributed much to the victory of the February 79 revolution by virtue of their armed struggle, collectively hastened to see Imam Khomeini just after the success of the revolution in the hope that their efforts would be lauded by him. But the Imam refused to receive them. Such a step by the Imam appeared to be a strange one at that time, but it was disclosed recently that the Mojahedeen had been trying, for many years, to establish contact with the Imam and to reach an agreement on cooperating with him, but had failed in their bid.

Imam Khomeini referred to this contact in one of his recent speeches and said: "They sent someone to me to convince me that Islam is similar to and in conformity with Marxism. That individual stayed with me for 20 days. We together went over the Qoranic verses and the sayings of Ali for hours at a stretch but reached no conclusion." Afterwards, Hojjatol Islam Doa'ie and others revealed that this individual was Torab Haqshenas, one of the leaders of the Mojahedeen Khalq at that time who has now seceded from them and joined the Maoist group, Peykar.

The Mojahedeen's efforts during the exile of the Imam, aimed at attracting the attention of the religious leaders, were however, not unproductive. Members of this group, who were imprisoned by the Savak during the years 1965 and 1978 and were mostly executed, were able to set up cordial relations there with some of the religious leaders, like Ayatollah Taleghani and Ayatollah Montazeri, and influence them with their vast amount of religious knowledge, bravery, and sacrifice.

After the victory of the revolution, when the Mojahedeen lost their hopes of a direct contact with the Imam, they came closer to Ayatollah Taleghani, and entitled him as their "spiritual father and religious leader." Since some of Taleghani's children were active in the Mojahedeen Organisation, the Mojahedeen's link with Taleghani continued, and till the time Taleghani was alive, their position was better than all other leftist organisations. They were less under attack, and their posture towards the Islamic Republic, too, was different from that of the Fedayeen in being more favourable. It was even rumoured that most of the Students Adherent to the Line of Imam Khomeini belonged to the Mojahedeen Organisation.

After the death of Taleghani and election of Bani-Sadr as the country's President, the Mojahedeen tried to become cordial to him as well as to the Bazargan group so that they could form a resistant force in the face of the radical Islamists. Rajavi's meeting with Bani-Sadr and subsequent support, extended by him as well as Bazargan, to Masoud Rajavi's candidature for Islamic National Assembly elections were indicative of such a close link.

During the Government's drive for closing down the offices of various leftist organisations located inside Universities, the Mojahedeen were the first to obey these orders, and thus avoided incidence of any clashes between themselves and the radical Islamists. But after publication of the text of the Ayat tapes and the rumours saying that the Mojahedeen had put these tapes at the disposal of President Bani-Sadr's Bureau, suddenly all attacks were converged upon them. Imam Khomeini repeatedly denounced the Mojahedeen in his speeches. Following their clashes with an invading group of "Hezbollahis" during a rally at the Amjadieh Stadium, all the offices of the Mojahedeen along with their newspaper, were closed down. Later, religious leaders, like Doa'ie and Montazeri, accused the Mojahedeen of possessing the Marxist ideology and lashed out at them.

After this all-out onslaught, a group of the Mojahedeen leaders announced that they have separated themselves from the majority faction led by Masoud Rajavi. In an announcement signed by Reza Raisi, Hameed Noohi and Hossein Rafi'ie, they have explained the reasons for their bifurcation as under:

"Since we are of the view that there is no policy better than saying the truth, we bring it to the notice of the brave Iranian people that, following the differences which clearly figured in February 1980 in our relations with the central leadership of the Mojahedeen Khalq Organisation of Iran, and due to lack of criteria and democratic ties for resolving the mutual problems, our organisational links with the Mojahedeen Organisation have been severed with effect from Monday, 30 June 1980."

The background of these three individuals, as given by the Daily "Azadegan" is as follows:

"Yesterday afternoon, the political reporter of the Daily Azadegan managed to contact one of the individuals who knew about the previous background of Messrs Raisi, Hameed Noohi and Hossein Rafi'ie. This person, who put general and comprehensive information about Raisi and Noohi at our disposal, however refused to give any details about Hossein Rafi'ie. He said:

"Mr Raisi was the official in-charge of the Mojahedeen Office in London. In the year 1975 when several members of the Mojahedeen Organisation changed their ideology, he resisted them. Raisi is 40 years of age. He began his university education in Tehran and brought it to an end in Britain."

"Mr Hameed Noohi is a graduate of the Architecture Faculty. He participated in the struggle of the years 1960 and 1963. Later, he joined the Mojahedeen Organisation in France to become the official in-charge of the Mojahedeen Office in Paris in 1975 and continued to hold this position later. Afterwards, he joined the national movement."

"The three outgoing members of the Mojahedeen Khalq Organisation have left recently for abroad. Initially, they aim to make necessary explanations to the Mojahedeen supporters. Secondly, they preferred to leave Tehran temporarily so as not to face the fate that betook Shareef Vaghefi and Samadiyeh Labbaf. Moreover, they are deeply pained at the fact that the Organisation hasn't yet announced its exact stand vis-a-vis the decrees issued by Imam Khomeini."

"As per another story received by our reporter, differences have also cropped up between the pro-Rajavi and pro-Khiyabani factions after the historical speech of the Imam. However, the two leaders have presently agreed not to make these public, and plan to resolve the same through group discussions. Mr Taqva'ie too plays no role in the organisation any more. Another member of the Organisation who, too, might make his exit from it following the recent speech by the Imam, is Sheikh Jalaleddin Ganje'ie. At the end of his Libyan trip, he is presently vacationing in Arab states where he is also awaiting the ultimate formation of various factions and announcement of the Organisation's policy so that he too could announce his own." (Sobh-e-Azadegan, 8 July 1980)

III--Split In Kordestan Democratic Party: The previous background of the Kordestan Democratic Party (KDP) and its stand against the Islamic revolution have already been given in earlier surveys. Here we would limit ourselves to mentioning the views of the individuals who have made their exit from KDP.

The outgoing individuals, considered to be among the prominent members of the KDP are: Ghanî Bolourian, Farooq Keykhosrovi, Fouziyeh Qazi (grand-daughter of Qazi Mohammad who set up the first autonomous Kurdish government in Iran in 1944), Raheem Saif Qazi (from the same family), Ahmad Azizi (poet) and Naveed Moini. This group has styled itself as the

'Central Committee of the Kurdistan Democratic Party supporting the Fourth Congress.' Bolourian describes the views of this group as such:

"In our opinion, the Party should have functioned in line with the ratifications of the KDP Fourth Congress. Since we felt that there has been a deviation from this course, we decided to split away. We believe that the path, chosen by us, is in conformity with the basic strategy of KDP's Fourth Congress, and it would continue to be the same in future."

Elsewhere, the statement of the outgoing members says:

"We have firm belief that there is no unanimity in the front, formed by the forces fighting in the name of defending the rights of the Kurdish people, and in the front constituted by the Government officials and forces opposing them. In each one of them, there exist two major but radically opposed forces. On the Government's side, there is such a figure like that of Imam Khomeini, whose historical message aroused much hope in the hearts of the tyrannised Kurdish people. It was he who modestly urged the Pishmargs, Revolutionary Guards and the troops to take off guns from each other's shoulders, and point them, instead, towards the United States.

"It was he who gave us the tidings about the end of all types of tyranny, and ordered the Government to devise the related laws at the earliest. Close to Imam Khomeini, there happen to be such personalities as Ayatollah Makarem Shirazi, Ayatollah Eshraqi, Ayatollah Noori, Hojjatol Islam Hossein Kermani and Daryoush Forouhar, who are basically in agreement with the Kurds' views. There exists an opposing front as well."

The same statement further adds: "There exists a similar grouping in Kordestan as well. There are those who think of the imperialist plots and get united with the revolutionary forces to confront such designs. And opposed to them there are individuals who act as tools of Bakhtiars, Oveisis, Palizbans and are the agents of CIA, remnants of Savak and lackeys of the Iraqi Ba'athists."

"As sincere and revolutionary individuals, we accept that we have fallen short in our duty to expose facts to the Party members and its supporters. Having considered it unjust to await any further, and becoming intolerant of the ever-increasing deviations in the Party leadership, we, hereby, sever our link with this leadership, a majority of whose members have deviated from the course set by the Fourth Congress. We announce that we would continue our struggle, in accordance with the congress guidelines, to defend Iran's anti-imperialist revolution, to generalise the same, to wage a struggle to acquire democracy in Iran, to fulfil the rightful demands of the Kurdish people as well as to improve the living standard of all the toiling masses in Iran. We don't think it out of place, at such a sensitive and fateful moment, to urge the leader of the Iranian revolution Imam Khomeini, the Islamic National Assembly, and all the responsible officials of the Islamic Republic of Iran to help us unite, in a revolutionary manner, all the Iranian ethnic groups and sincere supporters of

the achievements of Iran's big revolution through officially announcing the acceptance of the proposed six-point plan which was heralded in the historical message of Imam Khomeini. They should, by this act, neutralise the satanly designs of imperialism, the Ba'athist regime of Iraq, the fugitive agents of the former regime, and its internal collaborators not only in Kordestan but at national level. Continuation of fratricide limits the actions of sincere forces, while announcement of the rights of the Kurdish people and an end to the fratricide would come to check the activities of the anti-revolutionaries." (Kayhan, 26 June 1980)

In reply to these claims, the Central Committee of KDP, led by Qassemlou, which enjoys the majority of the Party, released the following announcement:

"The Politbureau of Iran's KDP released its first official announcement following a split in the Party, and clarified its stand. The text of the announcement is as under:

'On 15 June, a 28-page bulletin was published, within the framework of the Tudeh Party of Iran, duly signed by a number of people who have managed to smuggle themselves within the ranks of the KDP.

In this bulletin, Miss Fouziyeh Qazi, and Messrs Mohammed Amin Sheikhol Islami, Ghani Bolourian, Rahim Qazi, Farooq Keykhosrovi, Noveed Moini and Ahmad Azizi have, in order to promote the submissive spirit and in continuation of their imprudence, levelled a handful of unjust charges against Iran's KDP and the national democratic movement of Kordestan. It was long that the Tudeh Party was on the lookout to internally shatter the ranks of our Party, and, with this aim in mind, had sent some of its supporters within our Party in the guise of the democrats.

"These individuals tried, at the extraordinary meeting of the Central Committee held on 7 May, to impose upon our Party the submissive policy of the Tudeh Party of Iran. When confronted with the decisive opposition of a majority of the Party leaders, they apparently gave in to it, but, in practice, pursued their treacherous acts, until they openly separated themselves from our Party ranks and from the glorious front of the freedom fighters on 15 June. This submissive action is tantamount to kneeling before the ruling power and is treason to the aspirations of the people of Kordestan, and to the anti-imperialism struggle of Kordestan. The Politbureau of KDP strongly denounces this action of a group of people who have stabbed in the back of the Party and the nation. It is confident that the Central Committee, its members, and supporters of KDP would consider these few persons as traitors to the Kurdish people. Undoubtedly, purification of the Party from the existence of such traitors would lead to its strengthening and consolidation. (Jomhuri Islami, 28 June 1980)

IV--Split In Maoist Groups: These groups have basically come into existence as a result of their being split from other groups, such as the

Tudeh Party, Fedayeen and Mojahadeen. Most important of these groups, none of which are eye-catching in terms of their members, were as under prior to the revolution:

a) The Tudeh Party Revolutionary Organisation which was formed in 1960s by a group of the split-away leaders of the Tudeh Party such as Fereidoun Keshavarz, Gholam Hossein Foroutan, and Ahmad Qasemi. In 1964, among the prominent members of this Organisation were Parviz Nik-Khah and Parviz Lashai who, upon their arrival in Iran to carry out their assignments, were arrested by the Savak and announced their cooperation with the then Government.

b) The Iranian Peoples' Liberation Organisation which initiated its activities in early 1970s in Iran under the leadership of Cyrus Nahavandi, but was located by the Savak and consequently dismembered. The leader of this group, said to have collaborated with the Shah's intelligence organisation, is now engaged in underground activities in Iran.

c) Rah-e-Fedayee Group, which has been set up by some of the radical leaders of the Fedayeen Khalq Guerilla Organisation.

d) The Paykar Group which is supported by a group of Mojahadeen, Fedayeen and some former members of the Tudeh Party.

At present, the most significant Maoist group is the Ranjbaran Party which was set up in January 1980 at the end of a congress of the Maoist Groups. This Party is participated by the "Revolutionary Organisation," the "Struggle Unity" and "Toufan."

The Ranjbaran Party considers itself the follower of the ideology of Mao Tse-Tung and the supporter of the "Three World" theory. This theory says that the first world is composed of the super-powers of America and the Soviet Union. The second world consists of the industrialised countries including Britain, France, West Germany, Japan and... the third world includes the states which are allies of the second world. Between America and the Soviet Union, the latter is more dangerous, and as such the artillery fire should be directed towards this super-power. In this connection, the Ranjbaran Party says:

"The three-world theory believes that the two super-powers are major enemies of the world people. But there are certain differences between these two super-powers. A comparison of the two super-powers shows that the Soviet Union is more dangerous than the United States. These differences have turned the Social-imperialism of the Soviet Union into a more dangerous enemy of independence and revolution of countries, nations and peoples of the world. Hence, the need for forming a 'united world front' against this super-power arises on this account. This 'United World Front' not only includes the third-world states and the second-world countries, but also takes into account the U.S. super-power in order to inflict a major blow upon the power of the Soviet Union."

As is observed, there exists similarity among this theory, the theory of the Islamic Government with the slogan "Neither East, Nor West," and the theory of Bani-Sadr who believes that Europe and Japan should replace the American imperialism in Iran.

In any case, there are already certain changes underway among the Maoist groups which might culminate in a group of them joining the Mojahedeen Organisation.

CSO: 4920

PARTY ORGAN LAMBASTS CUSTOMS ABUSES

Tehran IRAN ECONOMIC SERVICE in English 14 Jul 80 p 13

[Text] Goods that are imported into the country from abroad normally have to go through a series of cumbersome formalities in the country's customs, particularly at Mehrabad airport which handles a considerable proportion of airfreight each day. Following a series of purges of customs officials in recent months, there has been a noticeable lack of interest among Customs officials and a tendency to refrain from working efficiently. Coupled with a general lack of efficiency, certain political groups have embarked on rivalries in the customs departments, which constitute an important sector of the economy. The complexity of the Iranian Customs first emerged with the setting up of an Evaluation Unit to determine the actual value of imported goods, and soon every customs department in the country began to levy whatever rate it pleased on imported goods. This system, which was first proposed by Ardeshir Zahedi, the former Shah's ambassador to London, opened the way for much abuse and many importers resorted to the practice of "under-invoicing" or not quoting the real value of the goods on the price-lists as a way of defrauding the Customs authorities. Consequently, the country lost billions of rials each year in import duties and taxes which could have provided a valuable source of revenue to the government. But the country is still losing billions of rials every month, and large sums of foreign exchange are transferred out of the country by the current practice of "over-invoicing," or quoting unrealistic prices for imported goods. Even though the authorities have demanded that a written statement be given by importers that the prices quoted in the pro-forma invoices are the true prices of the goods, the statement has no impact on unscrupulous importers determined to evade the law. At the same time, many Customs officials still resort to old regulations and practices in evaluating the true value of the goods. The best way that the government can overcome present abuses by Customs officials is to assume control over the import of goods from abroad, and reduce the large numbers of Customs officials by sending some of them to do productive work in the rural areas, instead of sitting behind desks to implement old-fashioned rules and regulations. ("Jomhuri Islami," 6 July 1980)

CSO: 4920

IRAN'S TRADE WITH SOCIALIST COUNTRIES APPRAISED

Tehran IRAN ECONOMIC SERVICE in English 14 Jul 80 pp 5-7

[Text] It may be appropriate to closely survey the socialist countries' role in Iranian foreign trade to reveal the great difference between the imperialist and socialist worlds in their trade relations with developing countries including Iran. Such relations continue to be based upon equality of rights, bilateral interests, supporting economic progress, industrial development, and social welfare in developing countries.

Major points in Iranian foreign trade relations with socialist countries include the fact that they have expressed their desire to help Iran through while imperialist governments refused to set up some principal industries and machinery manufacturing in Iran and even causing some obstructions, the socialist countries launched some of the most important industrial projects including steel mills and machinery making.

The interesting point is that along with development of economic and technical cooperation of Iran and socialist countries, Iranian foreign trade with such countries always enjoyed a healthy balance of payments, balance in exports and imports, equal exchange, and stability in prices always formed some of the characteristics of Iranian trade with socialist countries.

Socialist countries share of Iranian imports in 1973 was only 9.01 percent while their share of Iranian exports in the same year was 24.47 percent. An increase in imports of capital goods and reduction in consumer goods is a general phenomenon and ever affecting factor in Iranian trade relations with socialist countries. This is the reason that the share of imports from the Soviet Union in machinery and technical equipment during the decade between 1965 and 1974 has increased from 9 percent to 70 percent.

Socialist countries were not only continuous buyers of Iranian industrial export products but they have also constantly increased the volume to support the growth of Iranian industries.

Iranian exports of industrial products to the Soviet Union amounted to 3 billion rials in 1973, representing 25 percent of our exports to the

northern neighbour while such figure is missing totally in Iranian export to imperialist countries.

The 1964 protocol of payments between Iran and the Soviet Union cover the exchange of such products as to support the local production, while there is a considerable difference between such trade relations and that of plundering imperialist policies based upon the so-called "open gate" policies.

Iran is a good country to develop agricultural products, and the Soviet Union market of fruits offers the best chance to develop the Iranian agriculture. However, the imperialist governments imposing the winding up policy of agricultural products have not only caused the biggest harm to Iranian people but have also deprived Iran from export benefits to such favourable and large market as our northern neighbour. There is a great opportunity for Iran now to use it towards development of Iranian agriculture and improvement of living conditions for millions of farmers, particularly in the north.

Socialist countries consider great concessions to develop exports in their relations with developing countries. Based upon agreement signed between Iran and the Soviet Union, Iran like other developing countries is enjoying customs duty exemptions in exports of its products which is a good incentive to boost Iranian exports to socialist countries.

Socialist countries enjoy stable, firm, and planned economies, and development of relations between developing countries like Iran and the socialist countries would offer the chance to enjoy such benefits.

The imperialist countries never submit to long-term trade agreements while such agreements are essential to provide for economic growth, support the industrial development, and continue to increase the exports of developing countries.

The Soviet Union and other socialist countries are fully prepared to sign such long-term agreements, and as we know Iran has received numerous proposals in this field in the past which were all shelved or rejected due to opposition of imperialist puppet regime.

Finally, people can hardly deny the fact the socialist countries are fully prepared to carry out industrial projects which ensures flourishing of developing countries national economies. Hundreds of gigantic industrial projects have already been implemented by socialist countries at the lowest cost and the highest technical assistance.

Now, after the success of our revolution when our country has attained it independence, not only those projects but also other large industrial, agricultural and transportation projects can be implemented through the technical and economic assistance of socialist countries.

There are many favourable opportunities in cooperation between our country and socialist countries to maintain the active life of Iranian oil and gas industry, and taking advantage of such chances are undeniably essential to save the revolution from the menace of imperialist governments economic plots.

The hostile propaganda of imperialist governments and the deposed Shah's regime against establishing extensive business, economic, and technical relations between Iran and socialist countries which is unfortunately still prevailing on some of the revolution officials has prevented us to take the necessary steps to set up some wider cooperation between Iran and socialist countries in oil and gas industry. We must overcome such incorrect prejudgements and we should rely upon the experienced fact that establishing wide and all-out economic, industrial, technical, and political relations between Iran and socialist countries is highly essential to protect the revolution from world imperialist conspiracies headed by the U.S. imperialism. (Excerpt from "Mardom," 17 June 1980)

CSO: 4920

REVISION OF IRAN-SOVIET RELATIONS DISCUSSED BY QOTBZADEH

Tehran ETTELA'AT in Persian 3 Jul 80 p 11

/Article: "A Review of Diplomatic Relations between Iran and the Soviet Union"/

/Text/ The Islamic Republic of Iran has decided to limit the members of the Soviet Embassy in Iran. The minister of foreign affairs of the Islamic Republic of Iran declared this decision in the course of a press conference held in the Palace of the Ministry of Foreign Affairs in the presence of domestic newsmen.

According to this decision, the number of diplomatic personnel in the Soviet Embassy in Iran and Iran's embassy in the Soviet Union will be equalized. The decision also affects non-diplomatic organizations; the number of the personnel in these must not exceed two, and they will possess non-diplomatic passports (non-diplomatic organizations include banks and insurance). Another subject included in this decision is the employment of local Iranian workers; this must occur after informing and getting the agreement of the Iranian Ministry of Foreign Affairs; conversely local employees of the Iranian embassy in the Soviet Union will have the knowledge and agreement of that government.

In this decision, which in reality is to be considered a reappraisal of diplomatic relations between Iran and the Soviet Union following the revolution, Iran's consulate in Leningrad is being shut down; in the event the Soviet government agrees, this consulate will be opened in Dushanbeh, the capital of Tajikistan. Otherwise, the Soviet government will have to close down one of its two consulates, either in Rasht or in Rofahan, as it chooses.

In explaining these points, Qotbzadeh said, "Since the revolution the Soviet government has been carrying out espionage and is carrying out espionage in Iran, and the Tudeh Party, which unfortunately is the Iranian official of the Soviet Union, has made improper use of the opportunity to confront bloodsucking American imperialism and wants at any cost to prepare a situation in Iran which will ultimately be to the benefit of the

Soviet Union." Qotbzadeh added, "We have observed and noticed many contrary acts by Soviet Russian officials and double standards have been set up for us. For example, if we even want to perform one small technical job in Iran's embassy in Moscow, are forced to wait 3 or 4 days to perform the maneuvers over this job, but 85 Russian workers come to Iran to paint the Soviet embassy. The number of Russian officials in Iran is several times greater than the Iranian officials in Russia, and of the two Iranian consulates in Russia one, in Leningrad, is completely unused--we do not even have five Iranians there. In fact they were a tribute which the former regime made to the Soviet Union by orders of the superpower America. However, since our foreign policy has been based on a policy of neither east nor west from the start, there is no reason why we should start giving tribute to the other superpower."

Qotbzadeh added, "A point which is infinitely important for us is that after World War One all the coups d'etat and revolutions which took place were such that when people stood up against American imperialism they very gradually entered the confines of the power, or the umbrella, of the eastern power; we are the only revolution and regime which so far has fortunately not allowed this outrage to occur or to have us fall from the embrace of one superpower into the embrace of another one."

"As long as foreign policy is my responsibility, in view of the fact that these conspiracies are being carried out, and in view of the fact that Mr Kianuri and two Tudeh Party officers have gone from Europe to Soviet Russia, according to information which has been received, and have met with Brezhnev and some Soviet officials in order to get their theories in motion--as long as I am here, I will give in to no form of tribute-giving and I will advance a policy which is neither eastern nor western."

Regarding the espionage methods of the first secretary of the Soviet embassy in Tehran, which was the subject of a question from one reporter, Sadeq Qotbzadeh said, "He has left Iran and the other party, who also belongs to a foreign country, is being investigated. We have informed the government of which he is a subject and this country itself has also started a series of investigations. God willing, this will be clarified."

In a question to Qotbzadeh, RANJBAR's correspondent said, "What measures will the Islamic revolutionary government conceive of in the future regarding the espionage activities of the Soviet Union and the KGB?"

Qotbzadeh replied, "We have told them that if these activities continue we really will not be able to have relations. The embassy must perform diplomatic activity, not espionage, and, God willing, measures will be thought up in this sphere. That is to say, the danger has been sensed by the Revolutionary Council."

On the printing of new passports, Qotbzadeh said, "In the event negotiations reach a conclusion and the Government Press and the National Bank

work in two shifts by paying overtime to their workers, we will start publishing passports domestically. Otherwise, we must perforce send orders abroad." He said, "Because of the abuse of diplomatic passports by agents of the previous regime, these passports have been replaced more rapidly than other ones, and this has involved greater costs."

Iran's Participation in the Jerusalem Conference

In response to another question on Iran's participation in the Conference to Investigate the Subject of Jerusalem which is to be held in Amman, Qotbzadeh said "Iran will take part in this conference. An important subject in this regard is the nature of the conference, not where it is to be held. It has been pointed out that the Palestine Liberation Organization also will take part in this conference."

Regarding the journey of the leaders of some Afghan groups to Egypt and their talks with al-Sadat, Qotbzadeh declared, "This group certainly must be tried. We prefer rather to have aid given to groups which are struggling inside Afghanistan, since in reality those who are active abroad are fighting less."

In response to a question regarding Iran's relations with Libya, Qotbzadeh characterized these relations as normal. In this conference, he denied the rumor that the prime minister would be elected at the next session of the Revolutionary Council and said, "There is just supposed to be a discussion on this subject."

Regarding the question on whether a decision had been taken in the Revolutionary Council on the activities of the Tudeh Party, the minister of foreign affairs answered in the negative and said, "Parties must be free, but if dependent parties can be active in Iran our situation will be no better than Lebanon's."

The Use of Opportunism

Qotbzadeh then raised the subject of criticism by some Islamic societies of the representatives of the Foreign Ministry and said, "The basic point of some of them is the use of scholarships, insurance, free travel and foreign currency. Why doesn't the newspaper which devoted one of its pages to reflecting these gentlemen's requests talk about the requests themselves."

Regarding the Pilgrimage

Qotbzadeh was asked about problems which have arisen concerning the acquisition of visas for the pilgrimage and the Ministry of Foreign Affairs' measures in this sphere. He said, "We have carried out measures in this field and a series of resolutions have been raised regarding it. These must be examined. The government of Saudi Arabia believes that the

pilgrimage will disappear if demonstrations are to take place during the pilgrimage period, and that it will be replaced by demonstrations. Committees must go from Iran to Saudi Arabia, conduct talks on this subject, and reach a series of agreements." Qotbzadeh added, "This issue has been brought up in the Revolutionary Council and measures are to be taken in this field."

He added, "At the present time committees are engaged in discussions there and other committees are also to go there."

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CSO: 4906

IRAN

BACKGROUND OF IRAN AIR DEPUTY REVIEWED

Tehran IRAN POLITICAL DIGEST in English 21 Jul 80 p 21

[Text]

Name: Seyed Esfahani, Mir Mehdi, Dr.

Born: Tabriz, 1947.

Family: Married with two sons aged 6 and 2 years.

Present Position: Deputy Managing Director, National Iranian Airlines; University Professor.

Education: Primary and higher education in Tehran; Graduated in Industrial Engineering from the Industrial College, Tehran (1972); M.A. in the field of Operation Researches, Management Centre, University of Bradford, England; Doctorate in the field of "Reliability of Industrial Means" from the same University (1977).

Career: Professor at the Poly-Technic College (1978); Deputy Managing Director, National Iranian Airlines ("HOMA") (1980).

Languages: English.

Travels: Most of the European countries and the United States of America.

CSO: 4920

IRAN

BACKGROUND OF AYATOLLAH BEHESHTI REVIEWED

Tehran IRAN POLITICAL DIGEST in English 14 Jul 80 pp 18-19

[Text]

Name: BEHESHTI, Seyed Mohammad Hussain Dr. Ayatollah

Age: About 60 years.

Education: Doctorate in Theology from the University of Tehran.

Present Position: Head of the Supreme Court of Iran; Head of the Islamic Republican Party; Member of the Revolutionary Council.

Career: Started his career with the Ministry of Culture. For some time he was Religious Adviser to the Ministry of Education. He prepared religious text books for schools.

Political Activity: Started political activity in 1960, and, simultaneously, established the Haqqani School of Theology at Qom which is the best place for the training of future Islamologists --students and intelligentsia acquainted with modern knowledge and sciences. With the beginning of the Khomeini movement, he became one of the members of the Council of Ideology of the Alliance of Islamic Associations and worked with all the power at his command. This Alliance was the nucleus of the Islamic Revolutionary activity during the years 1962-1963 and in the beginning of the armed campaign was in its vanguard. It was also responsible for the assassination of the Agent of the American Capitulation i.e. Mansur, which took place in consultation with this Council.

In 1964, religious authorities invited him on behalf of the Progressive Clergy to go to Germany as their representative. This led to the expansion of Islamic Centres at Hambourg. He returned to Iran in 1969 to continue his

campaigns and became a sympathetic and experienced adviser for campaigners and fighters. One of the important achievements of these years was the establishment and organisation of the Community of the Struggling Clergy which played an effective role in the recent campaigns and revolution.

He is one of the leaders of the recent 2-year movement and one of those who are very close to the Imam and his confidants. One year before the victory of the revolution, he was planning to establish the Islamic Republican Party with the help of co-thinkers and campaigners and played an effective role in the revolution of groups and their unity before 11 February 1979 and proceeded to Paris to consult the Imam. At that time, the Imam appointed him as a member of the Islamic Revolutionary Council. In Tehran, he played a basic role, in coordination with the Martyr Professor Motahari, in making arrangements for ceremonies to welcome the Imam. Later, in collaboration with a group of four Struggling Clergies, he established the Islamic Republican Party. After the formation of the interim Central Council, he was elected as its Secretary General. He was Vice-President of the Committee of Experts and took over its administration on the suggestion of Ayatollah al 'Ozma Montazari. This led to the drafting of the Constitution of the Islamic Republic which is the most progressive of the constitutional laws and of which, as the Imam said, the enemy is afraid of.

Travels: Most of the European countries.

Languages: Arabic, English and German.

CSO: 4920

AGRICULTURAL SECTOR STRIVING FOR SELF-SUFFICIENCY

Tehran JOMHURI-YE-ESLAMI in Persian 23 Jun 80 p 9

[Interview with Dr Sheybani, minister of agriculture and rural development: "Agriculture and Livestock Rearing in the Country Are on the Verge of Self-Sufficiency"]

/Text/ Our reporter held an interview with Dr Sheybani, minister of agriculture and rural development, and this is herewith presented for the readers' review. What is noteworthy in this interview are the agricultural minister's optimistic statements regarding the country's agricultural situation. We have often said that since salvation from the fetters of industrial dependence will require time, in order to create comprehensive scope for progress in the country's economy it is necessary to proceed with agriculture at the outset. Both from the standpoint of scope and from the standpoint of the industries and manpower existing in rural areas, our country has the capacity for agricultural expansion and progress, in the event facilities are created by the government. In any event we will leave further details on this matter to another time. Here we will engage in mentioning the point that the emam's command based on maximum cultivation and the efforts of people in charge of matters in the Ministry of Agriculture during the period of Dr Sheybani's tenure have provided the conditions for growth in agricultural production and in area under cultivation.

With hopes that the green revolution will allow the great Islamic revolution of Iran to continue, we draw your attention to the text of Dr Sheybani's interview and to two items of news from the Ministry of Agriculture.

Question: To what extent has the area under cultivation increased in comparison with previous years?

Answer: The crops which have registered the greatest increase are wheat and barley. In accordance with the emam's orders, most farmers have engaged in this activity and we have had abundant increases in this regard.

Question: Have other crops such as cotton and so on stayed at the previous level?

Answer: Cotton has had some decline in production (because we have also allocated cotton land to wheat farming); however, other crops, such as fruit, are abundant. Last year near the holiday such fruit as oranges, sour oranges, apples and the like were obtained only from domestic production. For this reason there was self sufficiency in domestic production. So far as we have been able, we have not imported anything from abroad.

Question: What percentage has been added to the area of crops under cultivation?

Answer: I do not have exact percentage statistics but about 20 percent has been added to the area under cultivation. However, our crop and yield have increased by 30 percent and this was because use has been made of technology and industrial methods. Fertilizer, seeds and other equipment have also been available. In the Moghan Plain, we have put 25,000 hectares under wheat cultivation, and one of the biggest things which have been accomplished is there. In Zabol, 10,000 hectares have gone under wheat cultivation; this is also one of the labors which the chief of the Department of Agriculture there has performed along with others, and the wheat crop has been extremely good.

Question: To what stage of implementation have the Islamic land reforms reached?

Answer: Regarding the Islamic land reforms, we have tried to act after receiving permission from the main sources and the religious jurists. In some areas we have given land to farmers. Of course, the effort was made for these to be lands over which there was no argument, which belonged to the state and were without contestants. We have taken steps with this type of land first. The time of harvest, that is, has also fallen due for these lands and our effort is truly to make these reforms apply to Islamic rules. If there is the need in some areas, we will take the land from individuals who were landowners. We have benefited from the right of Islamic legal governance, and the *emam's* representative, who attends the seven-man land commissions, is benefiting from this right.

Question: What major problems did the Ministry of Agriculture face last year?

Answer: Last year, since there was a period of time before credits could be available to us, and the credits were late in being made available, we were in very narrow straits from the standpoint of financial credits. Because of the boycott which we had predicted would take place on the part of America and its allies, we had shortages in terms of equipment and other things such as fertilizer. With the aid which came from various sections of the government, we were able to receive 60 million tomans free of charge and as a result bring 3,000 tractors to the country by ship, so that they would not conflict with the imposition of the boycott, and we

succeeded in making up for the shortages to a degree. However, we had some problems from a lack of threshers and were forced to bring threshers from the north of the country to the south, where the cultivation is carried out sooner, and then return those tractors. This in itself entailed transport costs and raised our expenses to some extent. Another shortage is the shortage of chemical fertilizer; some of the countries with which we had dealings did not give us fertilizer. However, all in all, this job was done and we imported a large amount of fertilizer. In Bandar Mand, because we did not have means of transportation, people with trucks were of course friendly and made efforts, but we also had problems from this standpoint.

Question: In spite of the fact that all in all agricultural production increased last year (on all levels), we witness an increase in the price of most crops. What is the reason for this?

Answer: One matter was the fact that the wages of workers working in the farms were raised; the minimum wage increased by roughly two and a half, even three times, and this in itself caused the crops to become expensive. Also, some has not yet been harvested by middlemen and they are supplying the commodities at a higher price, while, in some areas which belong to the Ministry of Agriculture, with the cooperation of the Municipality of Tehran, we have for example supplied cherries which people were selling in squares and other places for 35 toman for 19 toman in markets, one of which is in Abbasabad. Of course the absence of resources for transporting crops to places of consumption is another reason for the high prices; we are trying, with the cooperation of the Ministry of Roads, to develop rural roads more quickly and solve this problem also. Of course the farmers and the people must cooperate so that those commodities they buy from farmers at one price should be supplied to the people after calculating the cost and a proper rate of profit.

Question: In what area have the Ministry of Agriculture's problems been the greatest?

Answer: Our problems are several. One is in the Kordestan area, where the problems are attributable to the inadequacies which exist there and the disturbances which have been made against the revolution there. We were not able to perform agricultural activity there and even brought back the agricultural equipment and tractors which we had prepared to send there. This is one problem in connection with that area; however, the problem of areas short of water has been another of our problems. For example, in Sistan and Baluchestan we could not even operate the cooler we have there because of the shortage and nonexistence of potable water. This is one of the basic problems. We also went on a trip to that area in the presence of Dr Abbaspur, the minister of power, and made investigations. Of course, these investigations and the matters which must be carried out are a long-term issue. Nonetheless, to the extent possible, we alleviated the problem, and in brief there was no approach made to us which we could not meet and carry out.

Question: What guidelines do you have for eliminating agricultural problems in Iran?

Answer: A point which I must present on this subject, in a peripheral manner, is the fact that there have been numerous referrals to the Agricultural Bank because of the elimination of the system of usury and the expropriation of usurers, and people are constantly asking for loans from that bank. However, the credits at our disposal are not unlimited. For this reason, my request of the farmers and people receiving loans from the Agricultural Bank is that they pay their debts absolutely on time so that we may be prepared to give loans to other farmers. The government is also trying to place adequate loans at our disposal but this sum is limited in any case. Another subject is the cooperation we must have with one another. That is, if we want to bring the agricultural burden to its destination, that is, the service of the country, everyone will have to join hands with everyone else, the producers will have to strive to take stock of price in the proper manner and the consumer must not consume excessively. With God's help we are intending even to become an exporter of crops, in contrast to the plan which the previous regime drew up for us, in accordance with which we were importers of all crops.

Question: It was written in some newspapers recently that Iran's wheat had reached the self-sufficiency level. What remarks do you have in this regard?

Answer: As I also stated previously, in regard to the level of cultivation, that is so to some extent; of course because we have had a large number of guests from Afghanistan and some from Iraq who came to Iran, our per capita consumption has risen. If we take this matter into account, yes, we have become self-sufficient, but it is also possible that we will have to import a small amount. However, we are ultimately approaching the self-sufficiency level.

Question: What are the most urgent and vital measure or measures which must be taken in regard to agriculture?

Answer: I would like to mention one point, and that is that because the level under cultivation is adequate under current conditions we do not have any more need to put further areas under cultivation. The farmers must pay heed not to farm crops which need large amounts of water in areas where water is short. In Tehran we are now faced with a water shortage and we do not have water for the groves outside of Tehran which need water, for the reason that farming needs water. Therefore, the farmers must be careful in farming crops and farm in accordance with the existing water in areas which are short on water; in areas where use may be made of more water they should proceed to cultivate crops which need more water.

Question: What is this year's budget for the Ministry of Agriculture and what increase does it show relative to the past?

Answer: The increase the budget has been given is striking on the surface but in our opinion this budget will not make up our requirements, and it is not as adequate as it should be for the extensive plans we have. Of course, we will spend to the extent that they give us a budget and our hands will be tied to some extent; although the Ministry of Agriculture's budget is greater than that of the other ministries and priority has been given to agriculture, it is still to be hoped that the shortages will be made up in parliament's improvements in this budget. In any event this budget is a figure of about 66 billion rials.

Question: What crops are now being subsidized by the government and what is the amount of the subsidy?

Answer: At present the government is trying not to subsidize crops, to the extent that is feasible and to the extent it can. Since the government buys milk, which is a crop, at a higher price and sells it so that it may put milk at the disposal of the people at a lower price, this in itself has caused the price of milk to increase, since, for example the milk which we sell for a price of 33 rials is sold on the free market at a price of 65 rials and people are opening milk packages and selling that as uncontrolled milk. This is one of the crops we are subsidizing. We previously subsidized meat (we were spending about 2 billion tomans for that); with God's help, this year we will not do so but will try to make meat available at a fixed price to everyone in most areas of Iran. Of course in some areas where for example the price of meat has been 60 tomans a kilogram, the price will drop (fresh meat will come to 40 tomans a kilogram and frozen meat to about 25 tomans) and in some areas of course it may meet with a slight price increase.

Question: What measures have been taken to apportion land? Have the seven-man commissions been sent to all areas of the country?

Answer: The seven-man commissions have been sent to most of the provinces, approximately, and are making the maximum effort actually to investigate the existing lands and conditions and resources so that the matter of assigning land to people who want to farm may take place with the utmost care in accordance with Islamic rules.

Question: In connection with the increase of prices for the purchase of crops from farmers, what measures have you carried out?

Answer: Lest the price of crops increase and other goods become expensive as a result, we are trying to keep the purchase price of crops stable. For example, we are buying wheat for 1,800 tomans a ton but from now on, in order to encourage farmers to plant wheat (as Ayatollah Montazeri has proposed), we are to make some side assistance to the farmers. For example, for every ton of wheat purchased we will give them promissory notes for 200 tomans; in this manner fertilizer, seeds and other requirements will be placed at their disposal in kind. In this, our effort is to have

prices remain stable, so that the costs of living will not rise, but at the same time to make aid in kind to the farmers. It is part of our plan to import some sheep, and, in accordance with resources, to place them at the disposal of the farmers. Ayatollah Montazari has made recommendations that have been accepted by the Ministry of Agriculture. Of course we are intending to take measures. (Now I immediately announce that the farmers should not make referrals for the transfer of sheep.) When these sheep are gradually imported and opportunities for development arise, we will put them at the farmers' disposal.

Question: What measures have been taken in terms of creating agricultural opportunities such as fertilizer, seeds, tractors and other facilities for rural inhabitants?

Answer: Regarding services in kind, there is an agricultural mechanical service center; the project for that has been under investigation for some time, and we have set aside a budget of about 500 million tomans for that, on condition that the Plan Organization place this budget at our disposal as soon as possible so that we will be able to spend it and it will not have to wait for projects, plans and paperwork. It is even possible for us rapidly to operate these service centers in 80 areas of Iran. These centers will repair the mechanical equipment in the farmers' possession and meanwhile we will be provided facilities which will be spent if necessary on plowing, harvesting and other activities. We will also package the fertilizer and seeds which exist in the warehouses in those centers so that farmers will not have to travel to the towns to get them, and if it is necessary committees to repair agricultural equipment will even be sent to areas. We sent a committee to Shavur to repair a thresher and it completed the job rapidly. The person in charge of that area was very grateful. Here I will also thank this committee and the United B.S. Company which placed some agricultural machinery experts at our disposal. It is hoped that this agricultural machinery service center will offer suitable services to the farmers.

Question: What participation are the agricultural cooperative companies in the rural areas making with the Ministry of Agriculture?

Answer: The things the agricultural cooperative companies which have been formed in various areas of the country do are of two types. One, they purchase some crops which the Ministry of Agriculture has guaranteed, and farmers do not need to visit the town. The other is that it makes some goods which are scarce in the villages available to rural inhabitants. Of course, this is of the free will of the rural areas and village councils.

We hope that the people in the villages will participate further with us in this regard so that we too can provide further services.

Question: What have you done with the farming and processing units left over from the previous regime? Have they all been nationalized and will such units also be established in the future?

Answer: Those farming and processing units which are useful are being consigned to the Ministry of Agriculture and those which have not been we have dissolved. Some of these farming and processing units have been necessary. For instance, alongside a hard sugar factory, an extensive farming and processing unit is necessary to grow sugar beets, or a sugar cane plant is necessary next to a sugar cane unit to process the sugar cane. These have been necessary, and our effort is for these units to be made available to the people themselves; we will guide and lead from the side so that they will follow the proper course.

Question: Will such units be created in the future and are they in the agricultural expansion plan or not?

Answer: If we see that there is a need to establish extensive farming and processing units in some areas so that assistance may be given to certain necessary crops, we will form such units. It is not necessary that everything that existed disappear. We will keep some of the things which are necessary, and will create what is necessary.

Question: What priorities have you taken into consideration for the nation's agricultural expansion?

Answer: We are giving priority to aid to raising livestock rearing to the level of self sufficiency in agricultural expansion.

Last year we tried to avoid killing ewes and this has caused the situation in the pastures to be good this year and we have more abundant stock. With God's help, we will also be self-sufficient in this area next year; in regard to wheat farming we have also reached the level of self-sufficiency. We are also investigating on the subject of other crops, so that the farmers' situation will also improve from the economic standpoint.

Question: What statement do you have regarding the mechanization of Iran's agriculture?

Answer: Concerning the mechanization of Iran's agriculture, we will use agricultural machinery in areas where there are broad plains and in other areas where there is the opportunity to operate with traditional equipment we will use traditional equipment and methods. Of course one point which is noteworthy regarding Iranian agriculture is the underground aqueducts, which are among the cheapest types of irrigation. In areas where irrigation by underground canals is possible, we will make use of this type of irrigation. We have tried to dredge out the channels and ultimately, if we can expand this type of irrigation and not have mechanical dependence on the outside world, that will be very good, but if this activity is not

practical in some areas and we are compelled to make use of mechanical equipment, traditional agriculture is something we will be protecting and we will be protecting mechanized agriculture to the extent that that does not entail dependence and we can produce the equipment ourselves.

Question: What regulations are being taken into consideration to disburse agricultural loans? Do you think that disbursing these loans is basically fruitful or not?

Answer: ³ Regarding the disbursement of agricultural loans, the effort is being made to have these loans paid out to farmers who want to spend them. Of course there have been cases where because of the problems of the revolution and the disturbed state of life we have placed these loans at the disposal of these types of people in the form of goods for them to repay after agricultural affairs have been taken care of. Previously the regulation was /submission of/ an ownership deed, and we have tried to the extent that it has been feasible to avoid ownership deeds in small loans and to have the seven-man committees, and the councils which they are forming look into loan affairs, bear witness that the loans will be paid. Regarding large loans, where the amounts are large, the installations which are being established must be accepted by the banks; as the installations gradually advance loans, will also be made available to them.

Question: In conclusion, if you yourself have something to say to our compatriots, please do so.

Answer: My recommendation to the nation is that they cooperate with us and if problems arise in our activity they should offer guidance. We are prepared to accept every kind of criticism and guidance.

In Another 5 Years We Will Be Exporters of Crops

In the course of contact with the Ministry of Agriculture, information was obtained to the effect that reports received from the provinces and districts on the wheat harvest show that the volume of the wheat crop is greater than 6 million tons this year. Considering the volume of wheat consumption, which is about 6.5 million tons per year, we have come very close to the self-sufficiency level. If the government and the Islamic Consultative Council review the price of wheat purchased from the rural inhabitants and provide for a just price in order to encourage them as much as possible, our agriculture will become an exporter of crops, especially wheat, in the very near future, that is, in less than 5 years.

It is necessary to note that during the era of the previous regime wheat imported from America cost about 10 toman per kilogram because that took 6 toman for the purchase, about 2 toman in shipping and handling expenses, and about 2 toman in losses. Therefore it is necessary that the nation's officials give greater attention to the fact that the actual purchase

price of wheat from farmers, which is 18 rials per kilogram, is low, because, through the many letters which the farmers have sent, this is the demand of most rural inhabitants.

Details of Executive Regulations on Assignment of Farmlands Are Announced

In implementation of the land reform law ratified by the Revolutionary Council, the final regulations to that law have also been drawn up for implementation and have been sent to the units concerned in the provinces and districts for implementation. It is hoped that the seven-man committees carrying out this law will pursue the issue of land reform with a speed accompanied by accuracy and thereby roll up the rug of the feudalists for all time.

According to these regulations and the abovementioned law, expropriated lands of agents of the former regime, fallow lands, ruined forests and unused lands must be apportioned in accordance with priority to landless and land-poor rural inhabitants, graduates in agricultural fields possessing high school or higher diplomas who have no jobs, and finally other agricultural volunteers.

The Mode of Assignment

Regulations for the assignment of land are as follows:

1. Determination of the assignment of lands in the form of a cooperative joint-ownership company or in individual form will be the responsibility of the seven-man committee which will make decisions in accordance with local usage and choice of the best form.
2. Every family will receive one local custom unit. Local custom consists of an amount of land from which the revenue obtained can provide enough for the family's expenses.
3. People to whom land is assigned must promise in writing that they do not have more land than is local usage in their overall possession.
4. Assigned land cannot be transferred; in the event of violation the land will be taken back.
5. Assigned land may not be sold and the people receiving the land are charged with observing the boundaries of their land and not trespassing on the land of others.
6. Land assigned to recipients must not remain idle without a valid excuse.
7. People receiving land will undertake to carry out the cultivation program announced by the Ministry of Agriculture.

In accordance with these regulations, the assignment of the following lands is forbidden:

1. Forests and natural groves.
2. Public nurseries.
3. Forest parks and parks of public use.
4. Lands which are prohibited by law for government installations.
5. Public pastures in the sanctuary of rural areas if they are necessary for the forage of local herds by the finding of the seven-man committee.
6. Roads for nomadic travel, places where tribes settle, and related sanctuaries.

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CSO: 4906

MEAT IMPORTS EXPECTED TO DOUBLE

Paris AN-NAHAR ARAB REPORT & MEMO in English 14 Jul 80 p 2

[Text]

Iran expects its imports of meat to reach 300,000 tonnes this year, almost twice as much as in 1979; the total cost is estimated at between \$630 and \$650 million, much of it going to lamb farmers in Australia and New Zealand.

Figures released last week put sales of Australian meat, chiefly lamb, to Iran at between 40,000 and 55,000 tonnes in the year ending March 31; this includes a shipment of 10,000 tonnes bought at a cost of \$18.6 million, which is below the odds for lamb prices.

Iran is now the biggest importer by far of Australian lamb, but it buys even more from New Zealand, which expects to sell 64,000 tonnes in the 12 months up to next September. This is part of a four-year contract to supply a total of 200,000 tonnes.

Reports from Iran last week said that while there had been no delays in deliveries until now, officials of the Iranian Meat Organization (IMO) were worried about a possible cash flow crisis unless the country's oil earnings increase soon. This would affect other sectors beside meat. In May, it was announced that imports of Australian wheat were likely to top 1 million tonnes in the year ending June 30. This represents a cost of some \$130 million.

Reports from Tehran said that highly placed clerics had been trying to secure additional meat supplies from Europe, but running into opposition to their requests for commissions of up to 25 per cent of the total cost.

Indian industrialists meanwhile said before leaving on a visit to Iran last week that they expected to win orders worth about \$125 million for their products; these included air-conditioning equipment, pipes and tubes, electric motors, agricultural equipment and construction machinery, machine tools, commercial vehicles and prefabricated housing materials (*An-Nahar Arab Report & MEMO*, June 16). In exchange for supplies, Iran is expected to increase exports of crude oil to India.

BRIEFS

TRADE WITH YUGOSLAVIA INCREASES--Trade between Iran and Yugoslavia in the first 5 months of this year was worth \$49 million, 15 times as much as in the corresponding period of 1979, officials in Belgrade said. They said that Yugoslav firms were involved in industrial and construction projects in Iran and that for the first time, Iran had sold crude oil to Yugoslavia; the amount of oil was not disclosed. The officials gave no breakdown of the trade figures. In the first 5 months of 1979, Iran imported \$2.57 million worth of goods from Yugoslavia and exported \$0.48 million worth of goods to Yugoslavia. The new figures reflect Iran's desire to improve trade with the Third World to compensate for economic sanctions by the West. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English 14 Jul 80 p 2]

CSO: 4920

GDR SEEKING CLOSER ECONOMIC TIES

Paris AN-NAHAR ARAB REPORT & MEMO in English 28 Jul 80 pp 3-4

[Text] East Germany is seeking yet closer economic links with Iraq, its chief source of oil besides the USSR and its biggest trading partner in the Middle East, the official mouthpiece of the East German Communist Party, NEUES DEUTSCHLAND, said last week. Reporting on a week's visit to Baghdad by Deputy Prime Minister Günther Kleiber, the newspaper said two-way trade between East Germany and Iraq had soared in the past five years and was running at an annual rate of more than 800 million Ostmarks (about \$440 million).

About two thirds of the total was made up of Iraqi oil supplies, which average about 20,000 barrels a day; the Soviet Union has pegged supplies of crude to East Germany at 19 million tonnes a year (380,000 b/d) for the coming five years, the report said.

East Germany, is however, short of hard currency with which to pay for crude, and, according to the report, is offering exports of industrial machinery as part payment. Efforts to conclude barter deals with Libya and Iran had so far proved fruitless, it added. Mr Kleiber's visit was his second to Baghdad this year and this was seen as confirming that East Germany regards Iraq as its best choice for guaranteed oil supplies.

Impressive as the two-way trade figures may be for East Germany, they are very small by comparison with those for Iraqi trade with the West (AN-NAHAR ARAB REPORT & MEMO, February 25). Latest figures from the OECD show that total trade between Iraq and the nine EEC nations jumped from \$8.2 billion in 1978 to \$11.6 billion last year, with a \$4.5 billion surplus in Iraq's favour; in the first quarter of this year, Iraqi exports to the EEC were running at an annual average of \$11.2 billion and imports at a rate of \$4.5 billion.

Two-way trade with France, Iraq's biggest European trading partner, is now running at an annual average of \$5.5 billion, with a surplus of \$3.8 billion in favour of Iraq. The East German statistics are put into perspective by latest figures on trade between Iraq and West Germany. This leaped from \$1.1 billion in 1978 to \$1.5 billion last year, with a \$811 million surplus to West Germany, and is currently running at an annual average of \$1.8 billion, with a \$1.4 billion gap in West German's favour.

BRIEFS

JAPANESE CONSTRUCTION CONTRACT--Japan's Sumitomo Construction Co has been awarded an ID 21.5 million (\$71 million) contract to build an 11-storey office block for government departments in Baghdad. The firm said last week that work was due for completion by February 1983 and that 15 per cent of the cost would be paid in Iraqi Dinars and the rest in dollars. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English 14 Jul 80 p 13]

CHINESE FERTILIZER AGREEMENT--Iraq will supply China with \$46 million worth of nitrogenous fertilisers in the second half of this year, under an agreement signed in Baghdad last week. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English 14 Jul 80 p 13]

DAM CONTRACT--An unidentified foreign company has been awarded a contract worth \$53 million to construct a dam near Dahuk, northern Iraq, it was announced last week. Work is due for completion within 34 months. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English 14 Jul 80 p 13]

CSO: 4820

'POST' POLL: HOW BEST TO TRAIN MINISTERS

Jerusalem JERUSALEM POST in English 29 Jul 80 p 3

[Article by Mark Segal]

[Text]

TEL AVIV. — Most Israelis think cabinet ministers should possess specialized training. But nearly half are undecided on the choice of a defence and a foreign minister.

Ariel Sharon and Ezer Weisman almost tie as the popular choice for the defence portfolio, with its temporary holder Premier Menachem Begin only enjoying 0.8 per cent support for this job.

Despite six years out of the job Abba Eban remains the favourite for foreign minister, with incumbent Yitzhak Shamir scarcely impressing himself on the public mind. These are the opinions emerging from the latest Jerusalem Post poll, conducted by the Modi'in Barachi Applied Research Centre among a representative sampling of 1,200 adults.

Pollsters asked: "Do you think cabinet ministers should have previous professional training for their positions, with a military background for defence, medical experience for health, economic training for the Treasury and so

forth?" The majority — 73.2 per cent — replied, "Yes," 21 per cent, "No," with 5.8 per cent undecided.

Those replying affirmatively were asked to name the best trained nominee for the defence portfolio.

	%
Ariel Sharon	18.0
Ezer Weisman	18.0
Moshe Dayan	5.3
Yitzhak Rabin	3.0
Haim Bar-Lev	2.0
Mordechai Gur	2.0
Shimon Peres	1.0
Menachem Begin	0.8
Others	3.8
Undecided	44.1

The same question was put for the post of foreign minister:

	%
Abba Eban	19.3
Moshe Dayan	12.7
Yitzhak Shamir	3.1
Shmuel Tamir	1.0
Chaim Herzog	1.0
Eliyahu Ben-Zion	1.0
Ezer Weisman	1.0
Yitzhak Rabin	1.0
Shimon Peres	1.0
Others	6.8
Undecided	49.6

FIVE NEW SETTLEMENTS TO BLOCK BEDUIN MOVES

Jerusalem JERUSALEM POST in English 31 Jul 80 p 3

[Article by Asher Wallfish]

[Text]

Five new settlements will soon be set up between the Gaza Strip and the Hebron hills, to prevent Beduin encroachment on state lands which could create territorial continuity between the two Arab-inhabited areas. Four of the settlements are within Israel proper and the fifth in Judea, Agriculture Minister Ariel Sharon told the Knesset Foreign Affairs and Defence Committee yesterday.

Sharon showed the committee on a map how Beduin tribes living around Beersheba were gradually fanning out into new areas to the north, the west and the east. Their move did not have political intent, he said, but it could eventually have political consequences.

Meir Talmi (Alignment-Mapam) complained to Sharon about the methods of the Green Patrol sponsored by the Agriculture Ministry which expels squatters from state lands. Talmi read a letter from a group of Beduin sheikhs alleging

that the patrol used violent methods recently in the Negev against a group of shepherds, their wives and children. The sheikhs also wrote that they were being dispossessed of lands they had pastured for many generations.

Talmi's charges annoyed Jacques Amir (Alignment-Labour), mayor of the Negev town of Dimona. He complimented the Green Patrol for protecting state lands against encroachment and said he had personally been present at the incident apparently referred to in the letter. Amir said no Beduin women or children were present and no violence was used in the expulsion.

"The Green Patrol is made up of idealists who have the interests of the country at heart," Amir said. He urged that the Border Patrol be called in to help move Beduin squatters.

At the suggestion of chairman Moshe Arens, a special five-man subcommittee was set up to discuss the controversy over squatting by Beduin on state lands.

'POST' CLAIMS ARABS CAN WAGE GAS WAR

Jerusalem JERUSALEM POST in English 30 Jul 80 p 3

[Text]

A Engineers Corps chief Tat-Aluf Avishai Katz said yesterday that Israel's neighbours have acquired gas warfare capability and have also equipped their own units with means of protection from gas attack, a factor which usually indicates the ability to use this type of weapon.

Katz said that the corps had altered its operative doctrine as a result of the lessons learned from the 1973 Yom Kippur War and the anticipated battlefield of the 80s. Katz was speaking at a briefing for newsmen in preparation for next week's Army Engineers Day.

The corps is being organized into very small squads capable of executing a variety of battle-engineering tasks under fire in very little time, he said. The IDF's modern engineering unit is more similar to a platoon closely integrated with the fighting units, Katz explained.

One of the results of this doctrine, he continued, has been the development and acquisition of a special sappers' half-track and a specially designed trailer — both capable of carrying the range of equipment required in the field.

The result is greater versatility, fewer men and vehicles, simplicity of operation and ordnance in the field and far greater speed in deployment, he said.

Katz said that the IDF had learned in the 1973 war the importance of a defensive capability supplied by army engineering units. He said a significant part of the corps' efforts were in that direction.

Katz said that the Russians were very well equipped and advanced in their doctrine of the use and deployment of battle engineers. He noted that Russian equipment and thinking was rapidly being transferred to the region — particularly to Syria and Iraq. Jordan's army was also well-equipped.

The corps has until recently accepted any officer willing to stay on in the permanent force, but during the past year the army has released a number of officers — including men with the rank of *agan-aluf* — who were found unsuitable, Katz said. Despite a shortage of officers Katz said he did not feel that his corps was faced with a problem of young suitable recruits refusing to go to officers' course.

EMIGRANTS TO U.S. NUMBER 10,000 A YEAR

Jerusalem JERUSALEM POST in English 30 Jul 80 p 2

[Article by Aryeh Rubinstein]

[Text]

About 10,000 Israelis immigrate to the U.S. each year, but only 3,000 Americans immigrate to Israel.

This imbalance in the population movement between the two main Jewish centres in the world today is one of the graver aspects of Israel's emigration problem, Prof. Roberto Bacchi, former government statistician, told the Knesset Aliya and Absorption Committee yesterday.

Bacchi said that in a historical perspective, the absolute number of emigrants in a given year doesn't mean very much. What counts is the number of emigrants and immigrants in relation to total population, he explained.

Statistics that Bacchi submitted to the committee show the following figures per 1,000 population.

Period	Olun	Yordim
1945-46	55.3	6.0
1965-66	6.1	3.5
1969-71	17.2	1.8
1974-75	9.8	5.4
1976-77	7.0	4.1

Dr. Moshe Siron, chief government statistician, told the committee that all sorts of inaccurate statistics have been recently published on the extent of emigra-

tion. The actual number of emigrants for 1977-79 was between 10,000 and 13,000 a year, he said.

The figures are a decline from 15,000 in 1976 and the 13,300 in 1975, Siron said.

Committee members were particularly concerned over the increased legitimization of emigration in Israeli society. Committee chairman Ronnie Millo (Likud-Herut) outlined a draft resolution denouncing this tendency.

Uzi Baram (Alignment) questioned the statistics of the Central Bureau of Statistics (as presented by Siron). He said the anti-legitimization resolution should be much stronger, and Millo agreed.

Geula Cohen (Tehiya) charged the government with the main responsibility for the legitimization of emigration. It sends emissaries to the U.S. to appeal to the emigrants for contributions, the consul-general in New York invites the emigrants to the consulate to drink a toast to Israel on Independence Day, and both the United Jewish Appeal and the Bond Organization maintain separate "sections" for Israelis, she noted.

The emigrants should be "excommunicated," Cohen said. Asked "What about relatives?" she replied: "I cut off relations with my sister for leaving the country!"

BRIEFS

SHAI CHANGES NAME--The Shai faction in the Knesset yesterday won official approval for its new name, Shinui Centre Party, at a meeting of the House Committee. Sa'adia Marciano's request for official recognition as an independent faction has not yet been approved by the committee, however. It was referred to the attorney-general for his opinion. [Text] [Jerusalem JERUSALEM POST in English 30 Jul 80 p 3]

CSO: 4820

ARAB HIGHER ORGANIZATION FOR PALESTINE ISSUES STATEMENT

Amman AL-DUSTUR in Arabic 12 Jun 80 p 5

[Text] Amman-- The general assembly of the Arab Higher Organization for Palestine [AHCOP] issued the following statement:

The general assembly of the AHOFP met on Monday, 9 June 1980, in its office in Amman. After discussing the current situation of the Palestinian problem and the Jewish plans to drive the Arabs out of occupied Palestinian lands, and after studying the subjects of the organization's functions and structure, the assembly issued the following resolutions:

1. Organization's Structure

The AHOFP shall consist of the following:

- a. The general assembly. This consists of the signatories of the 14 April 1980 statement (62 persons) and a number of Palestinians who reside in other Arab countries, whose names will be announced at a later date.
- b. The executive committee. It consists of 20 members from Jordan and other Arab countries. The names of the members of this committee will be announced as soon as the current contacts and negotiations regarding their selection are concluded.
- c. The administrative office.
- d. Lawyer 'Azmi Hasan Ya'aqub, as assistant to the Organization's secretary general.
- e. Mr Khalid Rubi, as director of the administrative office.
- f. The post of the organization's president is left vacant for the time being.
- g. The structure of the organization's offices outside Jordan is to be reevaluated and trustworthy, competent persons are to be selected to manage them.

2. General Matters

- a. To express gratitude and appreciation to His Majesty King Hussein and his respected government for their attitudes towards the Palestinian cause, the Palestinians, and what the current events in the occupied territories.
- b. To send a telegram to Mr Bassam al-Shak'ah reiterating the organization's disapproval of the brutal crime he and his colleagues were exposed to, and expressing pride in his honorable stand, heroism and bravery.
3. To condemn the Jewish plans to drive the Palestinians out of their homes and the violence, hostility, crime and tyranny the Palestinians are exposed to.
- d. To greet the citizens of the occupied land, and express firm pride in their bravery, struggle and heroic actions.
3. To urge the Arab and Islamic nations to seriously support the Palestinian struggle, and to work for the liberation of Palestine and for saving its people from the annihilation the enemy has in store for them.

9455

CSO: 4802

CONTRACT AWARDED TO DOUBLE CEMENT FACTORY CAPACITY

Amman AL-RAY In Arabic 12 Jun 80 pp 1-3

[Article] "Thirty-six Million Dinar Contract Awarded to Build Sixth Cement Factory Production Line; Operation Begins in 1982 at a Capacity of 3,000 Tons Per Day"

[Text] The Jordanian Cement Company (JCC) awarded the construction of its sixth production line to a Japanese company at a cost of 36 million dinars. This line's capacity will be 3,000 tons per day, which is equivalent to the total production of the five existing lines.

Mr Hawkat al-Sabul, general manager of the JCC, stated that this line will be completed and operative in October, 1982.

This is considered a giant step by the cement factory in the field of production. It is also considered an important expansion of this industry which will bring power and benefits to our country's economy, as implementation will provide enough cement so that Jordan will not have to import this product until 1990. Details follow.

The management committee of the JCC awarded the contract to construct its sixth production line and its infrastructure and services to the Japanese company Mitsubishi Kobe at the cost of 36 million dinars. The awarded work is divided into two parts:

First Part

Infrastructure and services necessary to cover the pressing needs of all production lines. These are: Floors and walls; water, sewage and electrical systems; passageways, courtyards, roads and fence; fire fighting system; fuel storage tanks; production maintenance; instrumentation and warehouse shops; and employee services buildings.

The above-mentioned work will cost 8 million dinars, of which 7 million will be used for construction work and one million for electrical and mechanical work. The construction work includes paved roads and courtyards covering

an area of 100,000 square meters. This includes 60,000 square meters of asphalt and 40,000 square meters of concrete to be undertaken by a Jordanian company to be sub-contracted by the Japanese. This contract also covers buildings with an area of 14,000 square meters.

Second Part

The sixth production line. It will have a daily capacity of 3,000 tons, which is equivalent to the total capacity of the existing 5 lines. Its overall cost will be 28 million dinars of which 9 million will be for construction, 14 million for mechanical and 5 million for electrical work. The mechanical equipment required weighs 10,700 tons and the electrical equipment weighs 1,600 tons.

Mr Shawkat al-Sabul, general manager of the JCC, disclosed that this line will be completed and operative in October 1982. He also said that although this line's production is 50 percent more than that of the fifth line, its costs will be the same and its implementation period will be half as long.

In a special statement to AL-RA'Y, Mr al-Sabul added that the specifications for the sixth line take into consideration, as much as possible, conformity of equipment and structure with those of the fifth line. Therefore, all electrical requirements, instrument control devices, dust filters, speed control boxes, mill linings, packing equipment and automatic scales; most of the mixing and circulation equipment; and the kiln feeding system will be German-, Swiss-, or Belgian-made. Standardization facilitates operation, maintenance and repair and the provision of standard spare parts. The equipment specifications for this line are the finest known in the cement industry. Thus, the new preheating and preburning system enables the sixth furnace, which is smaller than the fifth, to produce 50 percent more. This is one of the Japanese inventions adopted by the West.

The general manager of the cement plants explained that when the sixth line becomes operative, cement imports will stop until 1990, at which time it will be necessary to construct the seventh line. The seventh line's location was established in the general plan of the plant to avoid any conflict or difficulties in the future when this line is constructed. There will be no more room for expansion in the plant after the seventh line is constructed.

Exploration for raw materials required for all production lines has been done on the plant site. Mr al-Sabul confirmed the availability of 80 million tons [of raw materials], which will be enough for these lines for a period of 30 years. A mining plan for the next 10 years has also been laid out.

INCREASED HAY'S WHARF OFFER REJECTED

Paris AN-NAHAR ARAB REPORT & MEMO in English 28 Jul 80 p 11

[Text] The directors of the London property development firm, the Proprietors of Hay's Wharf, have rejected a second and apparently final takeover bid by the Kuwait Investment Office. The KIO, the investment arm of the Kuwait Finance Ministry, increased its offer for the 67.3 per cent of the shares which it does not already own from £2.40 per share to £2.50 (\$5.75), but the Chairman of Hay's Wharf, Sir David Burnett, described this as "opportunistic and inadequate."

At the time of the revised offer, Hay's Wharf shares were suspended on the London Stock Exchange at \$2.53, the level they reached after the initial bid (AN-NAHAR ARAB REPORT & MEMO, 14 July). The company directors issued a statement, however, saying that net assets on 31 March were £71 million (\$163 million), equivalent to £3.30 (\$7.60) per share.

The KIO said that this assessment was "irrelevant" because, although the company owns some 25 acres (10 hectares) of potential development land in London's dockland, it does not have the means of exploiting it. The board's valuation of the firm's assets included a £16.5 million (\$38 million) price on the site.

The potential value of the development site, known as Tooley Street, has been estimated at £200 million (\$450 million). Barclay's Merchant Bank, the KIO's agent, rejected the claim that the valuation of the undeveloped site increased Hay's Wharf's book value. The firm "still has a £13 million (\$30 million) liability on deferred tax in its balance sheet...which could eliminate any increased book value on property," a spokesman said.

The official Kuwait news agency meanwhile reported that negotiations for the takeover would be complete within a week.

A spokesman for the KIO said that the second bid was definitely a final offer, and apparently confirmed that by hinting that KIO would be willing to consider bids for the 32.7 per cent interest it holds in Hay's Wharf. Reports from London said, however, that KIO's initial bid had aroused speculation of a move by the Canadian Reichmann family group and that the scene was now set for counter-bids.

BRIEFS

BRAZILIAN LOAN--The Kuwait Foreign Trading, Contracting and Investment Co has arranged an 8-year, \$60 million syndicated loan for Brazil's national development bank, it was announced in Kuwait last week. Eight Arab or Arab-affiliated banks will participate in the loan, which will be used to finance development projects. The agreement was signed during a 3-day visit to Kuwait by Brazil's Trade and Industry Minister Joao Camillo de Oliveira Penna, who conferred with his Kuwaiti counterpart, Abdul-Wahab Youssef al-Nafisi, and local businessmen about ways of promoting two-way trade. A spokesman said the trade between the two countries last year totalled about \$110 million, with a \$64 million surplus in Kuwait's favour; imports from Brazil consisted largely of building materials, food-stuffs and motor vehicles. Mr Penna's visit followed the purchase by Kuwait of a 10 per cent stake, worth about \$115 million, in the Brazilian subsidiary of the West German car-manufacturing giant Volkswagen. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English 21 Jul 80 p 7]

OIL OUTPUT DECREASE--The Kuwaiti National Petroleum Company's Shuaiba refinery is operating at about 20 percent below normal output as a result of a national power failure earlier this month, industry sources said. At one time, the failure virtually halted all production at the refinery. But Kuwait's biggest oil refinery at Mina Al Ahmadi, which can produce 292,000 barrels a day, was unaffected by the breakdown because it has its own power supply. The Shuaiba refinery normally processes 195,000 barrels of crude daily. Industry sources were unable to estimate how the power failures would affect Kuwaiti exports of crude which normally run at 1.5 million barrels a day. The power failures began on 4 July when a fire damaged generators at South Shaiba aggravating an already serious supply problem. Repairs are underway but sources said they could take from a few months to a year. [Text] [Beirut THE ARAB WORLD WEEKLY in English 19 Jul 80 p 11]

GETTY OFFER REJECTION--The executors of the estate of the late American oil billionaire J. Paul Getty have turned down a bid from Kuwait worth more than \$980 million for 14.5 per cent of the shares of Getty Oil. A brief statement issued last week said that "discussions with respect to the sale of Getty stock have been terminated." This followed opposition to the offer, from the Kuwait Investment Office, by the company's directors; reports suggested however that the trustees of Mr Getty's will were hoping for a better price. As this newsletter reported in its 21 July issue, KIO, the investment agency of the Kuwait Finance Ministry, offered \$82 per share at a time when Getty Oil stock was being quoted at \$79.25. Robert Hanson, a senior vice-president of the title Insurance and Trust Co, said: "We weighed a whole range of factors and decided that it was not in the best interests of the estate." No other reasons were given for the rejection of the bid. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English 28 Jul 80 p 11]

CSO: 4820

BANK OF MOROCCO ISSUES ANNUAL ECONOMIC REPORT

Prospects for 1980-1981

Casablanca LA VIE ECONOMIQUE in French 4 Jul 80 pp 1, 5

[Text] The annual report of the Bank of Morocco which was just submitted to H. M. the King calls forth prospects for 1980 with a very moderate optimism.

For 1980, it says, prospects on the whole are no longer favorable. Taxes levied against the resources of oil-importing nations and particularly developing countries, tightening monetary policies to cope with worsening inflationary pressures, risk to reach saturation points around the world, prompting a revival of protectionism.

Concerning Morocco, although remedial measures and bumper crops are expected, its foreign accounts and prices are strongly influenced by an uninterrupted rise in hydrocarbon prices, entailing corresponding price hikes on imported products.

Thus, Morocco is confronting acute problems. Their gravity notwithstanding, they should not mask the urgency and magnitude of structural reforms to be accomplished. At issue, first of all is how to attain self-sufficiency in food as fast as possible. Industrial equipment should focus on expensive technologies; at the same time, preferential treatment should go to fuel-efficient equipment, even if ongoing research efforts are laced with hope, and also to products capable of replacing imports or of being exported. On this point, Morocco should step up its quest for new foreign outlets, thus boosting the efficiency of financial measures designed to stimulate exports. Finally, tourism revenue should continue to expand.

These trends cannot be overlooked at a time when the 1981 plan is being drawn up. Nevertheless, present public finance and, what's more, the balance of payments seem expressly to preclude new vigorous activities and investments.

Consequently, the national economy is likely moving along a narrow path, sandwiched between the perils of undergrowth leading to higher unemployment and deterioration of the people's living standards, and the dangers of overgrowth surpassing all methods of orthodox financing. For its part, the state should strive to limit foreign debts to improve solvability and, through regular and harmonious development, to insure continuous inflow of foreign capital.

Monetary authorities should continue to contain within reasonable limits the progression of means of payment, devoting a larger proportion to priority sectors. Real effort at self-financing will help facilitate repartition of bank credits among different categories of recipients.

In a more general way, Morocco will be able to tolerate this difficult situation if private capital is growingly aware of its pressing obligation to enhance the country's natural and human wealth.

Statistics for 1979

Casablanca LA VIE ECONOMIQUE in French 4 Jul 80 p 4

[Text] The main points of the annual report of the Bank of Morocco on the 1979 financial situation are as follows:

International developments had not enabled Morocco to improve its economy according to its 1978-1980 triennial plan. In 1978, large-scale measures had been taken to reduce the imbalance affecting public finance and the negative balance of current payments, left over from the last years of the 1973-1977 quinquennial plan and caused by intensified outfitting programs tied to increased defense expenditures.

1978 Results

Because of an effort to compress public expenses, new fiscal measures and especially contracted public investments, budget needs had shrunk from 7,588 to 6,858 million dirhams after one year. Likewise, steps aimed at developing currency inflows and curbing imports had curtailed the balance of payments deficit from 8,223 to 5,619 million dirhams.

In a parallel manner, due to restraints on bank credits distribution, annual progression of paper currency had slackened, matched by a similar movement on the consumer price index. With the real expansion rate of the gross interior product (GIP) down to 23 percent--a 6 percent decrease--the balance sheet was thus largely positive.

Increased Revenue in 1979

In 1979, anxious to continue its remedial effort, the state strived to cut down expenses despite salary increases for civil servants and growing

burdens of national debts and subsidies destined to make products of first necessity less expensive. It had also succeeded in accelerating the rhythm of fiscal returns.

However, new equipment purchases had slightly extended the nation's deficit, which at 7,221 million dirhams was acceptable as compared with the GIP. In terms of commercial and financial relations with foreign countries, although corrective measures previously taken had been slightly reinforced, the balance of payments deficit ran into 6,304 million dirhams, approaching 11 percent of the GIP, like in 1978. In effect, while exports had remarkably expanded, imports costs had also increased as a result of high oil and raw materials prices.

Monetary Policy

Monetary policy, a major weapon in improving the financial situation, had permitted to control the progression of means of payment at the disposal of the country's economy. Finally, interventions by the government and food imports to cope with perennial local shortages had put a brake to the living costs' upward spiral--8.3 percent as compared with 9.7 percent in 1978. Thus, local factors and exterior constraints had heavily weighed upon the 1979 results. The GIP had slowed down, but progress--appreciable albeit not decisive--was noted on the way toward restoring economic and financial balance.

GIP Modest Step Forward

According to official but provisional data, the GIP at 1969 market price reached 30.350 million dirhams, as compared with 29.684 million in 1978. This modest progress essentially came from a new growth in added value furnished by the energy sector and public administration. On the contrary, agricultural and industrial production as well as tertiary activities had hardly progressed. The situation even deteriorated further in the building trade and public works.

Converted into current dirhams on the basis of the production price index, which was at 7.8 percent in 1979 as compared with 10.4 percent a year earlier, the GIP had reached 58.226 million dirhams as compared with 52.860 million dirhams in 1978--a 10.2 percent increase, but still inferior to the preceding year's 12.9 percent.

Gross national product, which includes net foreign revenue, estimated at 1.593 million instead of 1.801 million, had passed from 54.661 million to 59.819 million--a 9.4 percent hike.

Improved Financial Standing

In comparison, gross national expenditure had increased by 8.5 percent only to reach 65.653 million dirhams against 69.586 million in 1978.

Net foreign contributions in goods and services previously reduced from 9,325 million to 7,646 million, had not exceeded 7,429 million; at this level they represented 17.8 percent of the GIP, as compared with 14.5 percent in 1978 and 19.9 percent in 1977. Nevertheless, this amelioration of the nation's accounts could be achieved only through a new recession of the gross formation of fixed capital which, after decreasing by 12.7 percent in 1978, had dwindled by another 7.7 percent in 1979 to stabilize around 12,372 million, despite new public equipment expenses. The part of fixed capital in the GIP had diminished from 23.1 percent to 21.2 percent. Investments, taking into account expansion stocks evaluated at 1,313 million as compared with 697 million in 1978, had shrunk from 14.098 million to 13.685 million.

Inversely, total consumption fixed at 51,970 million had increased by 12 percent, instead of 10.4 percent a year earlier; whereas government consumption was up from 9 percent to 16.7 percent, private consumption continued to oscillate around an 11-percent increase.

Savings

In these conditions, gross interior savings, i.e. the difference between gross interior product and total consumption, had not surpassed 6,256 million, as compared with 6,451 million in 1978. Likewise, gross national savings including interior savings and net foreign revenue, had regressed from 8,252 million to 7,889 million, thus financing 57.4 percent of the investments, as compared with 58.5 percent in 1978.

Exterior Exchanges

Due to rapidly increasing revenue from the sales of half-manufactured and manufactured products, exports value had swelled from 6,261 million to 7,287 million dirhams--a 16.4 percent annual increase. By contrast, imports cost reduced by 14.2 percent in 1978, had grown by 15.9 percent to attain 14,328 million. In effect, on the one hand, restrictions on certain imports had been slightly beefed up, previous deposits continued to be required of imports, equipment purchases previously reduced from 4,971 to 3,287 million had somewhat declined, but on the other, crude oil and raw materials imports had shot up. As a result, the negative trade balance was up from 6,100 million to 7,041 million, but still short of the 8,542 million mark of 1977. Moreover, whereas government transactions and touristic revenue had stabilized at anterior levels, increased transfers by Moroccan workers residing abroad had more than made up for the inflated interest rate on foreign debts.

After all, the balance of payments deficit, previously reduced by nearly one-third, reached 6,304 million as compared with 5,619 million in 1978. It had been essentially covered by net contributions of non-monetary capitals and by expanded commercial credits, thus permitting to cut down foreign debts.

State Expenditures

Although more money was used to service public debt, alleviate rising prices on products of large consumption and give civil servants a pay raise, the expansion rate of ordinary state expenses had remained in the neighborhood of 18 percent. In return, accentuation of fiscal pressure had translated into an 18 percent hike, more than twice the 1978 extension rhythm. In these conditions, the amount of budgetary savings was up from 644 to 802 million dirhams. Nevertheless, the increase of investment charges to 9.016 million is compared with 6.629 million in 1978 and 10.306 million in 1977, had slightly widened the national treasury's deficit which, after imputation of extra-budgetary accounts, had passed from 6.858 in 1978 to 7.221 in 1979. Since monetary progression was less rapid than the previous year, exterior borrowing had been relied upon to finance the overdraft in a proportion larger than in 1978.

Best Adjustment of Fundamental Balances

The nation's monetary policy in 1979 had centered around three axes.

Like in previous years, the first thing to do was to try to strike a balance between the two main sources of monetary creation, adjusting liquidities growth to transactions growth while extending preferential treatment to priority activities. Although expansion of means of payment had been contained, there had been an appreciable rise in exports financing; but credits designed to finance investments had somewhat decreased. In addition, treasury credits--main counterpart to the monetary mass--had clearly slowed down, whereas economy credits, always under rigid government control, had slightly increased.

The 1979 results, obtained in a more and more perturbed international context, appear certainly less spectacular than those in previous years; nevertheless, they attest to the government's ability to gradually reach the best adjustment of fundamental balances despite external and internal constraints.

Fuel Price Increases

Casabianca LA VIE ECONOMIQUE in French 27 Jun 80 pp 1, 7

[Text] The Ministry of Energy and Mining Research issued on Tuesday the following communique:

Oil-producing countries have just announced a new increase in crude oil prices. This, added to previous raises, has doubled oil price, as compared with a year ago. Consequently, petroleum products purchases will impose on us an expenditure of 500 billion centimes [as published] for the year 1980, amounting to 30 percent of our imports and to 6 months

of our total exports. Since the beginning of this year, and for the first time, petroleum products imports have been subsidized by the fund of compensation. If oil price remained constant, corresponding subsidies would have attained 100 billion centimes (as published) at the end of 1980; however, an additional 140 billion is needed to subsidize food products of first necessity (flour, sugar, table oil and butter). These reasons made it necessary to raise basic selling prices of petroleum products.

Gas Consumption Decreases 6 Percent

Given the upward trend of oil prices, the Ministry of Energy and Mining Research has taken steps to curtail petroleum products consumption without hurting economic development, and also to lessen energy dependence on foreign sources. Moroccan citizens have favorably responded to the first energy-saving campaign ever launched by the government. In the first 5 months of 1980, gasoline consumption had decreased by nearly 6 percent as compared with last year's corresponding period. In previous years, gasoline consumption grew at the annual rate of 3.5 percent.

Rapid Increase in Industrial Fuel Consumption (+ 20 Percent)

Likewise, gasoil consumption which grew at the regular rate of 10 to 11 percent, had increased only by 6 percent in 1979, and by 1.5 percent in the first 5 months of 1980. Butane consumption which grew at the annual rate of 15 percent, had increased only by 5 percent during the same period.

By contrast, industrial fuel consumption has shot up by nearly 20 percent after such new factories as the Kenitra electric power station and the Oriental cement factory were put in service. Rising consumption of high-octane fuel intended for air transport reflected expanding tourism.

These statistics show that home and individual energy consumption has begun to achieve efficiency, and that energy consumption progression is essentially linked to the country's economic and industrial development.

The results have enlivened the pursuit and reinforcement of measures to save energy, especially fuel, which represents more than 40 percent of our petroleum products consumption.

Emergency Plan

Meanwhile, the communique of the Ministry of Energy and Mining Research says, an emergency plan has been drawn up to insure fuel needs in case of world crisis affecting fuel supplies. The plan calls among other things for curbs on home heating and car driving.

Furthermore, other regulatory measures will be taken to encourage investments to seek new energy sources capable of replacing petroleum products

such as solar energy, biomass [biomasse] or green energy, as well as methods to save energy and to fight energy wastes.

Efforts toward mobilizing national energy resources are being under way, focusing on building of hydroelectric works, exploitation of bituminous schists, and intensification of oil prospecting.

First Drillings by Elf-Aquitaine in August

Promising results were reported in recent months particularly in the following fields: oil prospecting has started in the Essaouira basin with a \$50-million World Bank loan, and by Elf-Aquitaine company in Gharb and pre-Rif. Elf-Aquitaine will start drilling work in Gharb next August.

Gas in Meskala

Drilling work begun last March in Meskala, on the occasion of the Throne Festival, has just discovered at the depth of 3,359 m a layer of natural gas with condensate. The find is being evaluated.

Schist Production

A Moroccan patent has just been filed in the name of the Mineral Prospecting and Investments Office regarding a national formula called T3 process to treat bituminous schists. A simple, surefire, and relatively less costly, this process will enable us to produce, for the first time, schistose oil and other byproducts such as gas and sulphur. Schistose ash shows that it can help very favorably with the production of cement and other building materials.

The World Bank and other financial institutions have made known their readiness to help finance our bituminous schists projects, starting with the T3 process. As part of the new five-year plan, building work will begin next year on the first schist oil plants, and on the first electric power station to ever use schistose oil as fuel.

Uranium

The Moroccan Phosphate Office will put in operation one or two plants to recuperate uranium from phosphates.

It should be noted that responsible departments have been able to bring projects under their control to operational condition.

Renewable Energies

In terms of renewable energies, several projects are under study or under way, including pilot stations using solar energy to pump water, and one

pilot electric power station using alfa in the East as fuel. Special interest will go to eucalyptus, which could be used as firewood, traditional coal, or as other energy derivatives.

Finally, to step up and insure realization of our oil projects a new body is going to be set up, the National Office of Research and Exports of Hydrocarbons (NOREH).

National Energy Committee

Other appropriate structures such as the Marrakech Center of Development of Renewable Energies (CDRE) will be set up. Finally, a National Energy Committee will be created soon to coordinate energy problems at national level. Thus, we will have efficacious tools to achieve properly and timely the goals of our energy plan--a multidirectional plan based on the country's vast and abundant natural resources. Realization of projects within that plan will help us confront the energy crisis with optimism, the communique of the Ministry and Mining Research concludes.

New Rates and Raises in Force

Super	3.65	+12.3 percent
Ordinary	3.45	+13.11 percent
Gasoil	1.85	+32 percent
Refined and Illuminating Oil	1.85	+32 percent
Industrial Fuel	0.87	+50 percent
Propane Butane 12kg	28.00	+19.5 percent
Propane Butane 3kg	7.30	
In Bulk, per kg	2.10	

9213

CSO: 4400

WESTERN SUPPORT MAY ENABLE NIMEIRI TO SAVE ECONOMY

Kuwait AL-RA'Y AL-'AMM in Arabic 3 Jun 80 p 17

[Article: "Economic Crisis and Anxiety Prevail in North and South, But New Development Projects Could Save Situation"]

[Text] The Sudan, the largest African nation, has become one of the most important nations to the West. It is now the second largest nation in Africa which receives British and West German aid. Western commercial interests are deeply involved in the Sudan's economic development. Strategically, the Sudan falls between two countries hostile to the West, Ethiopia and Libya, who are both bristling with Soviet arms. Western nations favor President Gaafar Nimeiri, the popular military leader who has been ruling this country for 11 years. They like him because he seems to be a pragmatic, realistic man, who steered away from the socialist method followed by Moscow and leaned toward free enterprise; because his feelings are strongly pro-West; because his moderation has its influence in African and Arab politics; and because the Sudan has a good history of human rights and applies the principle of individual rights more than any other country in Africa or the Middle East.

Economic Deterioration

Despite all the above, Nimeiri's country has a deteriorating economic situation, where major services are chaotic and production is stagnant and declining. The Sudan was forced to conduct economic reform, which angered its people, in order to satisfy the international monetary fund which recommended such reform. Furthermore, there are more than 400,000 refugees from Ethiopia, Uganda and other places who impose a burden on the deteriorating economy. Thus, the country now suffers from a deep crisis which leads many Sudanese seeking higher wages to travel to Libya and the Arabian peninsula.

The Heat Wave

The summer temperature is now rising in Khartoum. This is usually associated with political unrest and attempts to overthrow the government.

in the past few years, the situation has worsened and the reason for this change has increased due to great shortages. Later on in the season, when the rains usually flood the railways from Port Sudan, a painful shortage in basic goods develops. Last April, a conspiracy was uncovered and some killings took place in August.

This year, however, Nimeiri seems to have laid out a detailed plan to stay in power. In addition to a more seriously studied plan to store food supplies and other goods in anticipation of the difficult months, the president exerted a lot of efforts to keep political parties in the country busy and moving. In January, the national conference of the Sudanese Socialist Union (SSU)--the only official party in the Sudan--renewed his presidency for 3 more years, after which Nimeiri says he will retire. Following this conference, Nimeiri announced that new elections for the People's Assembly and for the South Sudan Council were to be held.

Self-Rule

The government is working on the execution of a plan to implement self-rule in 3 regions in North Sudan. It also changed its position on the Camp David agreement in order to please Saudi Arabia and receive more assistance from it, without weakening its relations with Egypt. It also lately concluded an agreement with its neighbor, Ethiopia.

All the above steps aim at decreasing the impact of political problems on a government that does not have any organized opposition. Although the country is highly "managed," and although Nimeiri has tried to make peace with the opposition parties, he was unable to extinguish the fires of complaints against him and his regime.

In spite of flexibility of political opinion on the part of Nimeiri and his colleagues in power during the past years, and in spite of the new pragmatism, the government until now does not represent the major traditional political groups in the country. These groups include the National Party headed by the Ansar's leader Sadiq al-Mahdi, the Unionist Democratic Party, and the communists who were arrested by the hundreds in August. All these groups participated in attempts to overthrow the government. Nimeiri's staying power is continuously dependent on the balance among these various forces.

Benefits of the Conference

Despite its lack of popular support since it was formed by Nimeiri in 1972, the National Conference of the SSU seemed to have become stronger. Following the SSU conference [in January], Nimeiri felt that he had enough power to set a date for the election of the two councils within a year. Participation in these elections is limited to SSU members. However, as in the 1975 elections, members of other groups can attach themselves to the SSU while the voters know who they are.

The National Party refused to participate in the elections, because Sadiq al-Mahdi believes that the government did not fulfill all the conditions related to political freedoms as agreed during the reconciliation with President Nimeiri in 1977. However, there are signs that the president has overcome the National Party.

The elections will also solve a long-time crisis in the southern, non-Islamic regions, which have had their own council and government for 17 years, since after the 1972 civil war.

The Dispute

Last year a dispute developed between the numerous Dinka tribes and other tribes represented by the government of the former revolutionary chief Joseph Lagu, who was elected head of the government in South Sudan in 1978. His government was not successful due to political schisms and weaknesses, not to mention the difficulties involved in ruling the south. This conflict subsided in February after many deaths occurred and severe losses were incurred. The elections are expected to solve the problem and determine the form of the new government in the south.

At mid-year, the government must appoint local authorities in the north. President Nimeiri believes that the best solution to the governmental crisis in a country with many nationalities, like the Sudan, is to give the regions autonomous rule, thus decreasing the impact of the usually lax central government in Khartoum.

The government borrowed large sums of money to begin the implementation of several development projects, some of which are well researched and others are not. The Arab oil producing nations, especially Kuwait and Saudi Arabia, offered the Sudan generous aids and loans. However, the slow system is not suitable for the pressures placed on it, and the country was unable to get enough hard currency to even pay the bills for fuel and necessary spare parts to keep existing systems going, let alone implement new plans.

Implementation of Projects

Because of its efforts, the government was able from the start to implement large economic projects, such as sugar production in Kattanah and several agricultural projects to produce enough wheat and grain.

However, when the Sudan began to be late in paying off its loans, the lending countries stopped giving other allotted sums unless they were tied to specific and researched projects. These projects are reviewed by the lending countries who then decide on the amount of aid. Some of these countries stopped all new loans since 1976, when they found that the Sudan refusing to slow down the pace of development and that its government was getting worse. Lately, however, the western nations were beginning to trust the economic policies of the government of the Sudan, led by

Nimeiri. The United States allocated 120 million dollars to assist him this year, and Britain, despite its own economic crisis, allocated around 60 million pounds as a contribution to improve electric power. In addition, Saudi Arabia resumed its assistance, as it allocated 300 million dollars, while West Germany allocated 160 million marks and the international monetary fund allocated 65 million dollars.

Nimeiri seems to have overcome all the crises and remained in power all these years, because he is very experienced in matters of backing off and compromise. Some hope that his current policy will save the Sudan from its difficulties.

9455

CSO: 4802

PSD INTENSIFICATION OF YOUTH ACTIVITIES REPORTED

National Bureau Dissolved

Tunis LA PRESSE DE TUNISIE in French 10 Jul 80 p 1

[Text] Yesterday evening the Politburo held its regular meeting, under the chairmanship of Mohamed Mzali, secretary general of the party and prime minister.

The first part of the meeting was devoted to studying practical methods in anticipation of the Inter-African Socialist meeting this 13 and 14 July at the Party Hall.

The Politburo then examined the results of the work of the last regular Conference of General Secretaries of Coordinating Committees and decided upon a number of measures regarding the next Congress of Coordinating Committees.

The Politburo also reviewed the broad lines of party activity and the activity of the youth organizations during the summer season and heard a report on that subject by the director of the party.

The Politburo then discussed the operation of the National Destourian Students' Bureau.

It decided to dissolve that bureau and form a temporary committee in charge of preparing for a free and democratic congress to be held in the near future. This committee is composed of Destourian students responsive to the conditions for success in their studies and for influencing the university circles to which they belong.

Democratic Involvement Invited

Tunis LA PRESSE DE TUNISIE in French 10 Jul 80 p 4

[Text] Mongi Kooli, director of the PSD [Destourian Socialist Party] and ministerial delegate of the prime minister, yesterday chaired a meeting of participants in the symposium organized by the Regional Committee of Northern Tunis Students at the Center for Training Youth Cadres in Borj Cedria.

On that occasion the party director answered questions from the participants, laying special stress on the fact that the democracy the students are demanding is one of the most genuine and oldest traditions, whose foundations in the party were laid by the Supreme Combatant from the time it was founded, and which was unceasingly applied and proclaimed in all its deeds and gestures by the Bourguibian regime.

Democracy is our Creed and our Method

Mongi Kooli noted that the PSD has always, throughout its long history, been faithful to that spirit and resolutely devoted to democracy as its credo and method of action. "The history of the Bourguibian epoch," he said, "is the best proof that the party is supported by the popular masses whose ranks it organized, and has made it a striking force with the help of which it has been able to win great victories and realize successive achievements.

"We are determined to continue on that road, with an ineradicable faith in the party's mission and a total desire for dialog, working together and exchange of ideas within the framework of openness, freedom and purity of intentions and objectives."

The Party is in Favor of Free Elections

The director of the party continued: "We will work to strengthen student structures, and in all sincerity we invite the students to select their leaders with complete freedom through democratic and free elections.

"This is the healthy basis on which the party has chosen to set up the reactivation of all the youth structures, beginning with student structures, in the conviction that today's students are in fact tomorrow's government officials."

Mentioning the role of the Destourian Youth in these structures, Mr Mongi Kooli called it "very important, emphasizing that the responsibility incumbent upon the Destourian Youth is only equaled by the privileged position occupied by Tunisian young people as a whole in the eyes of the Bourguibian regime.

The PSD director reviewed the various occasions that demonstrated the interest of the government in youths in all fields and, especially in the universities, "the magnitude of the responsibility weighing on the shoulders of the young because they embody the country's future," he declared. "Let the student in particular learn what the true militantism is that draws forth talent, stimulates determination and nourishes enthusiasm. In that respect the party is the best school for training these students and seasoning them to face the future. Indeed this party has chosen to remain a school that is constantly open to all students, ready to welcome each and every one, provided he wants to work for the good of his fatherland and his fellow countrymen."

You Have to Depend on Intelligent People

"To carry out responsibilities at the level of student structures is a charge, not an honor. Duty dictates that you choose your leaders well and depend on

intelligent and competent individuals. Your representatives in the youth structures must be students like yourselves and people in whom you have confidence because of the competence, integrity and influence that characterizes them. The party gives you freedom of choice. You must know how to block the road for those who fail in their studies and try to fulfill their personal ambitions," Mr Kooli emphasized, reaffirming that success in responsibilities is above all concomitant with success in studies. The party director indicated, along that same line, that the student leader must be equal to the mission he has set out to accomplish, noting that in that spirit membership in the party and militancy in its ranks are a source of pride.

"The Destourian student because of this can be a pole of influential and respected charisma; for this reason it is possible for him to best accomplish his role in expanding the party's audience," Mr Kooli said, calling for intensification of such meetings, which will be open, he commented, to all students, whatever their leanings.

"The proof is that the party is open and dedicated to serious democratic dialog," he exclaimed.

Regional Bureaus for Orienting and Aiding Students

Mongi Kooli also announced that the party will organize meetings, at the level of delegations, of the kind to be followed by regional conferences reaffirming that these meetings will be open to all students.

"In the PSD leadership we are going to create a bureau for orienting students and coming to their aid. Bureaus will be created for the same purpose at the level of the coordinating committees of all regions of the country," he concluded.

UNITED ARAB EMIRATES

MINISTER DISCUSSES NEW LAW DESIGNED TO EASE LABOR PROBLEMS

Abu Dhabi AL-ITTIHAD AL-USBU'I in Arabic 8 May 80 p 5

[Report on TV program in which the minister of labor and social affairs conducted an open discussion of the new labor law]

[Text] His Excellency Sayf al-Jarwan, the minister of labor and social affairs talked about the new labor law. He touched upon many labor issues and problems brought up during an open dialogue with local TV and press representatives, and two representatives of the private sector.

The dialogue confirmed the importance of coordinating the relationship between employers and employees through an understanding of the new federal law by both parties. The dialogue was attended by a number of officials of the ministry of labor and social affairs and the ministry of information and culture, led by Ahmad ibn Hamid, minister of information and culture; Abdullah al-Nuwis, undersecretary of information and culture; Abdullah Aman, assistant secretary of information and culture; and Ahmad al-Jumayri, undersecretary for labor and social affairs.

AL-ITTIHAD participated in the dialogue which lasted two hours in Studio No 2 at the TV building. The dialogue could have lasted longer if there had been no time limitation on the program. Labor problems and issues no doubt need more than one TV session to fully explain the reasons for issuance of the labor law.

The federal labor law is not a sword hanging over the heads of businessmen or employees. The law is a means of regulating relations, or, rather, creating fruitful cooperation between businessmen and employees. It should be clear that the function of the labor inspector is one of advice and a guidance to both parties for the benefit of labor stability and higher productivity, which are conducive to the progress of society in all domains. Therefore, the inspector's function is not that of a policeman, as some people believe.

What Took Place in the Dialogue?

At the beginning of the dialogue, minister Sayf al-Jarwan expressed his gratitude to His Highness Zayid bin Sultan al Nahayyan, the president, for issuing the labor law. He also thanked the members of the Supreme Council, the members of the National Consultative Council, the government and all those who participated in preparing this law. He also expressed his thanks to the minister of information and culture, the undersecretary of the ministry, and officials of the ministry and of television for making this dialogue possible. The dialogue went as follows:

[Question] What are the characteristics of the new federal labor law which was enacted recently?

[Answer] One of the most important characteristics of this law is that it is the first law which organized labor relations at the national level. It helps to create stability and psychological security for both businessman and employee. The law guarantees the worker's rights and defines his obligations. The worker's rights include termination of service compensation, official holidays and sick leave. The new law also guarantees the worker's right to receive compensation for work-related accidents in cases of total disability, partial disability, and death. The worker would receive a minimum of 18,000 and a maximum of 35,000 dinars. The new law equalizes pay for both man and woman, defines work opportunities for women in such a way as to maintain their dignity. There are other benefits the workers would receive.

Implementation Guarantees

[Question] What are the guarantees that this law will be executed in such a way as to protect the interests of both the businessman and the employee?

[Answer] The ministry of labor and social affairs is trying to raise the competency levels of members of the executive system so that they may be able to apply the provisions of the law in the fields of inspection of labor conditions and industrial safety.

The ministry is about to improve this system through training sessions to qualify its members. Arrangements were made in this respect with the Arab Labor Organization in meetings held with officials of the organization during the recent conference of Arab Labor Ministers. In fact, an expert of the organization arrived here some time ago to prepare for these training sessions. Experts of the organization who will train the inspection staff are expected to arrive by the last week of May so that the first training session may start at the beginning of June. More training sessions will follow to raise the competence of members of the system responsible for implementation of the law. The ministry has prepared two sets of regulations relating to inspection of labor conditions and industrial safety in order to supervise companies on a 24-hour basis.

Problems Which Will Disappear

[Question] In your view, what are the most important problems which will be eliminated through application of the new labor law?

[Answer] The new law will solve many of the basic problems which piled up in the past. The traffic in [residence] visas is in fact the most significant problem. Both nationals and foreigners who had the opportunity were involved in this violation. Although the Ministry has checked this irresponsible behavior in violation of existing regulations, the new law will not solve the problem, unless it is applied correctly. The law must be applied at the national level, and [local] authorities must be given the opportunity to exercise their natural prerogative to enforce the law in support of the ministry of labor. Measures have already been taken, and this comedy, which has led to unemployment, has been stopped. There is great hope that the law will be enforced, and that the agencies and courts concerned will be given the opportunity to exercise their prerogatives in applying the new law regulating labor relations.

Beginning Application of the Law

[Question] In the absence of this law, most of the Emirates were applying local laws. What is the situation now? And when will the new law be applied?

[Answer] In addition to the local labor law in Abu Dhabi and Ra's al-Khaymah, an order was issued in 1977 on the matter of bringing in and employing foreigners. The order was issued by the council of ministers and is presently being applied at the national level. The local laws and the order will remain in effect until we start applying the new law. The new law provides that it will go into effect 60 days from its publication in the official Gazette.

Minimum Wage

[Question] Is there an intention to set a minimum wage, especially as the new law authorizes issuance of a decree in this connection and the cost of living is rising continuously?

[Answer] The rising cost of living is an international problem and the new law provides for dealing with it. Based upon the new law, the ministry will issue regulations which will determine the minimum wage at a later date, after studying the situation in the friendly and sister countries which issued similar laws years ahead of us. Through this study, we will look into the systems and regulations followed in these countries. Once clear data and information is obtained, it will be easy for the ministry to set the wages. Although the new law will go into effect two months from the date of publication in the official Gazette, I assure you that the ministry is already paying special attention to this matter, as it takes time to issue regulations in this connection.

[Question] The workers whose companies went bankrupt--what guarantees are there that they will get their due?

[Answer] There are many cases at present before the courts. Measures will be taken in the future to solve such problems by means of the companies buying insurance so that the worker's rights may be guaranteed in case the companies become insolvent. This is one of the concepts under consideration now.

[Question] Will priorities be given to Arab workers, especially as non-Arab workers present problems of language, customs and traditions?

[Answer] The United Arab Emirates are part of the Arab nation, and we are citizens of the Arab nation. The state has participated in meetings and conferences organized by the Arab League and the Arab Labor Organization. The state adheres to the execution of resolutions and recommendations. The Arab Labor Organization recommended making use of Arab manpower. The Conference of Arab Labor Ministers which took place in January also recommended making use of Arab workers. Our new federal labor law gives priority to Arab workers. Our goal is to benefit from Arab manpower. This does not mean doing away with foreign manpower altogether, because there are countries with which we have friendly relations, and we cannot do without the foreign workers altogether. However, we do encourage businessmen to hire Arab manpower. Contacts with Arab countries have been made in this connection. For example, we asked the members of a Moroccan delegation, which was here recently, to pay a field visit to the work sites of various projects in order to familiarize themselves with the needs of these projects in terms of Moroccan workers, and with the wages and facilities provided by the employers. Meetings between officials of the companies and the Moroccan delegation took place in this respect. We hope to achieve a balanced labor force in the nation in the future.

Exception

[Question] Is there a chance to exempt some groups which are needed by state projects, especially as the new law has been enacted, and the period for transferring sponsorship [of foreign workers] expires on June 21? [A foreign worker has to be sponsored by a local firm or citizen.]

[Answer] We are trying to achieve skills needed by the projects. But first, we must apply the decision of the Council of Ministers on June 21.

[Question] What is the ministry's position with regard to the Palestinians and Afghans whose situations are known to all?

[Answer] The ministry is studying this matter carefully, and the right decision will be made in this connection. The provisions of the law are clear and regulations will soon be issued. Naturally, exceptions will be studied in light of the public interest.

Solving the Labor Problems

[Question] How can labor problems be solved?

[Answer] In the past period, the disputes department of the ministry of labor was able to solve 95% of the disputes brought before it. Only 5% were sent to the courts. The disputes department will be beefed up with additional skills. The new law provides for the creation of reconciliation committees and a supreme arbitration committee to solve any difficult problems in cooperation with the local authorities.

[Question] It was reported in the local newspapers that the new labor law does not provide for establishing labor unions. What is your opinion?

[Answer] This question would be proper to address to an official of a nation that relies on a national labor force. We in the United Arab Emirates depend on a foreign labor force. If we refer to the practices of labor unions, we find that they frequently depart from the goal for which they are established (achieving gains for the workers), and become embroiled in political matters which we need not mention. It is difficult for me to approve establishing a trade union when 96% of its members would not be citizens. I would like to ask this: Has a nation which depends on a foreign labor force ever permitted the establishment of a trade union?

As the answer is no, I would like to reassure the workers that there are departments which pay attention to their issues and have the responsibility of finding solutions for any problems. This is done through the disputes department in a friendly manner and to the workers best interest. I cannot imagine a need to establish a labor union in the United Arab Emirates when there is a department to resolve disputes as provided for in the law. The reconciliation committees and the arbitration committee which are provided for in the law are capable of solving the problem of any worker referred to the ministry, especially since these committees include representatives of more than one party. Once again, I reaffirm that the absence of labor unions in the Emirates does not mean that we will leave matters without control, that the worker will not obtain his rights, or that the businessman will exploit the worker in the future.

Two Types of Problems

During the dialogue, two workers spoke. The first worker presented his problem which, stated briefly, is as follows: He joined one of the firms a year and a half ago. He was promoted three times within six months and was sent for training abroad. Upon his return from the last training session abroad, he was surprised to be dismissed without cause. He contacted the ministry of labor which gave him a letter obligating the company to take him back. But the director of the company tore up the letter of the ministry of labor. Although the director was arrested and stood trial, the worker's problem is still pending.

Ahmad Jumayri, the undersecretary for labor and social affairs answered that the problem is in the process of being solved with the officials of the company, and that the director who tore up the letter will receive deterrent punishment.

The second worker [who is a foreigner] presented his problem. He said that he quit his job to join an industrial project as a partner with a citizen. This venture will start after June 21. Does he have to have a new sponsor now, or can he be sponsored under the new project even after expiration of the period for the transfer of sponsorship on 21 June.

Minister al-Jarway answered that the worker may transfer his sponsorship after June 21, since he will be a partner with a citizen in an industrial project. Special studies are being made with regard to self-sponsorship by a self-employed person.

During the dialogue, the minister of labor and social affairs said that he hoped that both businessmen and employees would study the new labor law and comprehend its provisions. With regard to the workers, he said: "We call on the workers to cooperate with the state machinery and the ministry to apply the new law for the benefit of both parties, and to leave it up to the courts to do their job in punishing any violators according to the provisions of the law."

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